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The Nation's Business

Election Prospects Hazy
Tories Against the Field
Mewburn Still Needed
Dunning's B.C. Policy
Canada at "Parting of the Ways"
An American Size-up

EVEN the most hard boiled election prophets confess themselves stumped by the prospects in this election. Eliminating the forecasts of the party leaders, forecasts which prove that the wish is fathered by hopes rather than by faith, there has been no independent, well-informed guess made openly. Everything would be set for a landslide towards one side if the situation were not complicated by the presence of the still active Progressive group, by the solidity of Quebec's Liberalism, and by the lack of an outstanding personality, magnetic, inspiring, commanding, at the head of any one of the groups.

The election is a struggle between the Conservatives against all other groups. The betting is the Tories against the field, or vice versa. Every effort is being made to consolidate Liberal, Progressive, Farmer and Labor interests against the Conservatives in every riding. Out West, Mr. Dunning says that the big problem is to "consolidate the forces favorable to Western policies, such as the completion of the Hudson Bay railway, rural credits, revaluation of soldiers' lands and a lower tariff." Elsewhere in Canada, forces opposed to Conservatism will unite to a large extent.

Thus we have almost a return to the two party system, practically, for election purposes, if not actually for administrative purposes.

* * *

IF THEN there is a straight alignment between the Tories and the others, the chief interest is as to whether or not the Conservatives can make sufficient gains to put them unequivocally in power. They now have 116 seats. They ought to have 125, although they could govern insecurely with 123. They must gain 9 seats to be able to assume office with even a slight measure of confidence and without dickering for allies. Where can they gain them?

The Maritime Provinces admittedly is a difficult field for the Tories. Essentially Liberal, the Maritimes gave the Tories unexpected support in the last election. There is a saturation point of Conservative gains on the Atlantic coast. Has it been reached? September 14 will answer.

Quebec is a pivotal point. The gain of a few seats would seem to be easy, where the Tories have only 4 seats out of 65. A small gain would not be surprising. But such gains as forecast by Hon. Robert Rogers seem out of the question to those who have followed Canadian politics for long.

Ontario went so thoroughly Conservative in the last election as to offer small chances for big gains. The Prairies offer the best field to Meighen's men. This is admitted by Liberal and Progressive leaders. Dunning said the other day that the Tories would concentrate their fight on the prairies, believing that they could make the best gains there in a harvest time election. And, indeed, if the Conservatives can break Dunning's strangle grip on Saskatchewan, where it is a straight fight by a union of forces against Meighen's tariff policy, their election chances are excellent. British Columbia is predominantly Conservative and cannot be counted on for big gains.

That is the situation section by section. The summary is that to establish themselves in power, the Conservatives must gain a seat or two in each province, since they can only by outstanding effort make big gains in any one province.

If they do not do that but are still the largest group, a third election seems certain since Mr. Meighen promises that he will not govern by the co-operation of any group that will not accept his policy of a protective tariff.

* * *

HERE was the standing of the parties in the last house just prior to Meighen's assumption of the premiership:

Province	Cons.	Lib.	Progs.	Lab.	Ind.	Total
Ontario	68	12	2	..	..	82
Quebec	4	60	..	..	1	65
Nova Scotia	11	3	..	..	..	14
N. Bruns.	10	1	..	..	..	11
Manitoba	7	1	7	2	..	17
Brit. Col.	10	3	..	..	1	14
P. E. Island	2	2	..	..	..	4
Sask.	..	15	6	..	..	21
Alberta	3	4	9	..	..	16
Yuk. (T.)	1	..	..	..	..	1
Total	116	101	24	2	2	245

* * *

WILL it not be possible for our Hamilton friends to induce General S. G. Mewburn, K.C., to remain in public life? Among those who see the great need for character, independence and superior ability, his retirement is depressing and will be regarded as a serious loss. He is a lawyer who made good in one administrative capacity after another, regimental officer, staff officer, and militia minister during the war, and

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Implement Trade Better But Still Below Normal

That there is danger of over-optimism in regard to the improvement in the farm implement industry is the effect of a statement on the present situation made to The Financial Post by the head of one of the Canadian implement companies. Despite the improvement which has been experienced, particularly in Western Canada, domestic trade is described as only fair and not yet back to normal — farmers continue to buy implements sparingly. The sales of the Canadian implement companies show improvement over last year but it must be remembered that last year's volume was abnormally low. Export trade has been better, also, but exchange conditions, especially with regard to France, present a problem, and the outlook in South America is not regarded as favorable as it was last year.

WEST INDIES BOAT SERVICE PROBLEM FOR NEW CABINET

Maritimes Demand Early Action on Steamship Service

Special Correspondence.

HALIFAX.—A resolution recently passed by the Saint John Board of Trade condemning present steamship service between Toronto and the British West Indies, and urging the government to implement its undertaking to improve this service, calls to mind the fact that this is one of the pieces of business left unfinished by the old government. The new government will have to consider how Canada is going to live up to the promises made to the West Indies in this respect.

The old government did not let a steamship contract because of their suspicion that the steamship companies had come together and had reached an understanding with regard to what bid should be entered. This is why the bid of the Royal Mail Steam Packet was not accepted. One concern offered to put on a line of steamships without any subsidy at all, but was not prepared to touch at all of the ports specified in the West Indies Trade Agreement. An agreement was almost arrived at between the former government and this company whereby the latter would put on a trunk line of steamers calling at main ports, and the government would subsidize branch lines which would connect the trunk line and outlying ports. Final decision was deferred and in the interval the government resigned. The companies resent the suggestion of connivance between them. None of the companies wanted to tender on the complete specification submitted by the government, namely the line to both Jamaica and Demerara, since they regard it as an impossible undertaking from a commercial standpoint. They were all ready to take on the eastern service but not the less important lines. The government's great problem will be with the western service. It is felt also by the steamship men that a rather too expensive class of ship was demanded.

Question Benefit of Treaty

While there is no possibility of doubt that the Canadian government will implement its promise, the question has arisen in the minds of many down here in the east as to what Canada will actually realize from the treaty. There are those who contend that Canada got the worst of the bargain. As an example, it is stated by these people that the new preference on Canadian sugar would cost

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Millers Fear Loss of Oriental Market if Rates Equalized

Canadian millers see the danger of losing their Oriental market in the proposal of British Columbia interests that export and domestic freight rates to the Pacific coast should be equalized.

This immense market for Canadian flour and also Canadian wheat has been wrested from American millers because of the low freight rates granted by Canadian railways on flour exported via Vancouver. These rates are so low that Canadian flour can be sold as cheaply in Japan and China as on the coast; and bran feed, the by-product of flour, from Canadian wheat costs less for the raisers of poultry in China than for the poultry-raisers of Chilliwack, B.C., for instance. This apparently anomalous situation has brought protest from British Columbia points but the millers point out that under it Canada has built an enormous flour trade in the Orient. If export and local rates are equalized, they claim, Canada will lose this immense market, and the orders will go to Tacoma and Portland mills. These mills will barge Canadian wheat from Vancouver and Port Mann, mill it without payment of duty under milling-in-transit provisions of the Fordney tariff, and ship it to the Orient in competition with Canadian mills.

Maple Leaf, Western Canada, Ogilvie and Robin Hood mills are among those chiefly affected.

Canadian Yarn Makers Pay High Duties on Materials and Have No Protection

Showing How Some Manufacturers Are Actually Penalized Where the Tariff is Not Equitable— Appeal to Ottawa Ignored

When a Canadian industry is not protected under our tariff it may easily occur that not only must the Canadian manufacturer compete with the foreign manufacturer who has more favorable labor and other costs, but must actually suffer a very serious handicap because of duties imposed on the raw materials and equipment necessarily imported for use of the manufacture of the unprotected product. This is the very serious situation in which Canadian manufacturers of cashmere or dry spun yarn find themselves. The classes of this yarn consumed by the Canadian knit goods industry practically all come in free of duty, while the Canadian manufacturers, including three Canadian concerns, York Knitting Mills of Toronto, Canadian Woollens of Peterborough and Mercury Mills of Hamilton, are endeavoring to give Canada a Canadian cashmere yarn industry with machinery on which a tariff has been paid and using various materials which must pay duty and sales tax. Thus the Canadian manufacturers are not only unprotected but must actually pay a tariff on materials and supplies going into the manufacture of an unprotected product.

This situation was drawn to the attention of the late government but nothing was done, with the exception of the reduction of the sales tax from 6 to 5 per cent. The present government, The Financial Post understands, is giving consideration to further adjustments of the sales tax but the duty, being a budget matter, must be changed by parliament. The matter will probably be made the subject of inquiry.

The Canadian manufacturers are in a position to produce convincing argument as to the extremely heavy handicap they are operating under where the duties on equipment and supplies in some instances run as high as 35 per cent. with sales tax additional. This condition, together with the fact that under the Drawback Act, items 1011 and 1021 of the tariff, dry spun yarns, 30's and finer, come into Canada duty free, practically means the prohibition of the manufacturing of this class of yarn in Canada except at an operating loss. The foreign manufacturer has no duty to pay on his repairs, supplies, etc., and no sales tax to pay. Canadian manufacturers have to meet these items and then compete with a product coming in duty free and free of sales tax. If the drawback items 1011 and 1021 were cancelled the manufacturers of cashmere yarns would be put on the same basis as other yarn spinners such as Bradford system worsted, silk and cotton. This is what the cashmere yarn makers have suggested.

Figures have been compiled showing that on supplies actually imported by a Canadian manufacturer of cashmere yarns totalling $15,376, duty was paid amounting to $941 and sales tax amounting to $943, a total of $1,884, which must be borne by the Canadian manufacturer as a handicap in competition with foreign manufacturers. The list includes: Paper tubes, mule banding, felt, green plush, leather aprons, parchment paper, dry paste, ring travellers, gill and comb pins, spare machine parts, worsted cream emulsion, machine oil, spindle oil, lubricating grease, machinery repairs and miscellaneous supplies. All these items enter into the manufacture of worsted yarn. They are an indication of the many factors which the manufacturer must take into consideration and of which the public has so little conception.

The $1,884 referred to, it may be pointed out, would be the equivalent of one cent per pound on 188,400 pounds of yarn—and a fraction of a cent per pound would lose an order for yarn to the manufacturer.

Manufacturers of cashmere yarn in Canada entered into this industry in the face of the conditions which have been outlined, feeling sure that if they turned out a good product with Canadian capital and employing Canadian labor the handicaps would be removed and cashmere yarns placed on the same basis as other yarns manufactured in Canada.

Canadian Industry Handicapped by Tariff

Following is a list of materials and supplies imported by a Canadian manufacturer of cashmere yarn of which duty and sales tax totaling $1,884 were actually paid. These materials and supplies were for use in the manufacture of a yarn which may be imported into Canada duty free.

Commodity	Invoice value	Duty	Sales tax
Paper tubes	$ 8,623.30	$	$517.39
Mule banding	962.82	240.20	72.18
Felt	699.18	235.90	56.99
Green plush	45.00	4.61	3.04
Leather aprons	192.27	33.64	13.50
Parchment paper	424.16	106.00	31.80
Dry paste	27.50	7.00	2.10
Ring travelers	293.85	29.38	19.39
Gill and comb pins	76.70	7.60	5.06
Spare machine parts	2,774.44	277.40	183.11
Worsted cream emulsion	165.00	.....	4.12
Machine oil	40.00	.....	.60
Spindle oil	95.00	.....	2.37
Lubricating grease	25.00	.....	.62
Machinery repairs	412.25	.....	18.54
Miscellaneous supplies	520.00	.....	13.00
	$15,376.47	$941.73	$943.81

Big Acreage Options Taken in Wainwright Oil Field

Geologists of Two Large California Independent Oil Producers Make Exhuastive Study of Field and Tie Up Large Acreage — Many Wells Drilling

A very material development is going on in Wainwright, Alberta, oil field. This section in the past has had many critics and some of them still exist, yet the large U.S. oil companies are giving more attention to the area than perhaps any other in Alberta. When the writer was at Wainwright recently, two geologists representing California Petroleums, were making a study of the field and representatives of Union Oils, another large California operation, has just completed their report. It is understood that as a result of these investigations some large options have been taken in the field, one covering 100,000 acres while another totals 15,000.

The Emerald well has been a disappointment to many in the field. It was thought because of its position on the structure, that it would prove the best well to date. Now it is evident that the drillers did not go deep enough, as an analysis of the sands show that they are not the same as those of the nearby Edmonton-Wainwright which is producing 150 barrels daily. The drillers thought they were just into the sand and so after cementing the well in, core-drilled. This failed and swabing was tried.

Emerald directors have now decided to let the well stand and it may possibly work itself in as has been the case with others, and failing that, to await development on the Western Consolidated, half a mile northwest. That company is now forming. If it comes in then the Emerald will proceed with another couple of hundred feet of drilling.

Meanwhile several other concerns are erecting derricks in the field and awaiting for equipment to drill, so that the outlook is for a steady increase in the exploratory work. There are two or three companies talking of erecting refineries in Wainwright and one is already selling stock.

To the east near the Alberta-Saskatchewan boundary is the Ribstone-Blackfoot structure that so much has been heard of since Dr. Hume issued his report. Imperial Oil's rig had just arrived when the writer was in the field and a couple of other concerns are going to drill. The big acreage holders are playing what is generally called a "waiting game" and will let others test out the field.

Maritime Telegraph May Pay a Higher Dividend

HALIFAX.—The half-yearly earnings' report of the Maritime Telegraph and Telephone Co. shows a decided improvement over that for the corresponding period of last year. The directors, in presenting their annual statement to the shareholders, intimated that if business conditions continued good, there might be an increased distribution to the Common shareholders during the present year.

Fall of French Franc Closes Besco Iron Mine

From Our Own Correspondent.

SYDNEY.—One of the first communities to feel the international effects upon industry of the fall of the French franc is Wabana, Bell Island, Newfoundland, where No. 3 iron mine has been closed by Besco through lack of business.

For several seasons past the Wabana pits have worked day and night supplying cheap ore to continental Europe, but now the rush is over and may not resume until France recovers financial health.

The number of miners laid off is approximately 280.

According to J. E. McLurg, vice-president in charge of Besco operations, on his return from an inspection trip to Newfoundland, "The franc has fallen so low that European steel manufacturers now find it more profitable to use iron ore from Lorraine than the Bell Island product."

MCKINNON'S YEAR SHOULD INCREASE PROFITS RECORDS

Estimate That Gross Profits Will Not be Far Short of $700,000

With ten months of its year in the background, McKinnon Industries seems assured of a record-breaking year from the standpoint of profits and earnings. Preliminary estimates discussed in the street are that the company will show gross earnings not far short of $700,000. After allowing for depreciation, taxes, bond interest and preferred stock dividends this would amount to over $6 a share on the common stock outstanding. Earnings for twelve months to September 30, 1925, were $420,253 gross and about $3 a share on the common stock, taking the present financial set-up.

Sales of the Canadian plants have shown a healthy increase, which has been offset to some degree by a decline in business in the Buffalo plant, where the company has been forced to adjust itself to a falling off in demand for the various automobile accessories which it manufactured by introducing new lines. But the wide diversity of the company's products, including automobile parts, accessories, drop forgings, hardware, tools, etc., has reflected itself in the consistent increase in business, taking both Canadian and American plants together.

Plans of the Canadian automobile manufacturers to meet the increased call for cars due to reduction in tariff and the natural growth in demand are being reflected in better business for the manufacturers of automotive parts. McKinnon Industries are sharing in this better business and the prospects for the fall and winter months are regarded as very encouraging.

The McKinnon Co. has had a very satisfactory increase in the volume of gross sales for the nine months ended June 30; this increase amounts to something over 60 per cent. of the volume for the corresponding period of the 1924-25 year at the Canadian plant and about 35% for both Canadian and American plants. A considerable portion of this increase comes from the sale of the lines formerly manufactured at St. Catharines by J. H. Williams & Co., whose Canadian business was purchased as of November 1, 1925. The lines of this company fit in with the McKinnon lines to splendid advantage as the customers of the Williams Co. were nearly all former buyers of McKinnon products.

Generally speaking, competition in the company's various lines is very keen and the percentage of profit is low. However, in view of the increased volume, profits for the year will be at least comparable with those of previous years, despite the reduced percentage of profits, and may touch the high estimates of the "Street." Very favorable reports are being received from Western Canada in regard to the crop prospects, and a large volume of business from the West is anticipated for this fall. Orders from other parts of the country are also satisfactory and are expected to continue so.

McKinnon preferred was in demand this week, advancing three points on Tuesday to 90. The common sold at over 22. When the preferred stock was sold last fall, it was issued at 98, with a bonus of one half share of common.

Pure Gold Co. Reports 20% Increase in Business

The better performance recently of the shares of the Pure Gold Manufacturing Co. on the Toronto exchange is a reflection of improved business conditions as indicated by the report of the company's operations for July, which shows an increase of about 20 per cent. as compared with July last year. Such a report gives assurance that the present dividend will not only be maintained, but that prospects are better for an increased distribution in the future.

Some months ago there was talk that it might be necessary for the company to float a preferred stock issue in order to get desired working capital, but The Financial Post understands that such has been the improvement in the company's business that there is now no talk of doing any such financing.

OUTLOOK BETTER FOR SHAREHOLDERS DURANT OF CANADA

Export Trade Within British Empire is Being Developed

AS TO THE EXCHANGE

Present Indications That Shareholders in Canadian Company Will Fare Perhaps Better Than American

Durant Motors of Canada is taking over a portion of the export business of the parent firm and recently made the first shipment the Canadian company has undertaken. The total sales of the company to date this year are 27 per cent. higher than for the same period last year and earnings should show substantial profits. The officials of the company believe that the Canadian company can earn money on a 10,000 car production basis. It is expected that the company will manufacture at least 10,000 cars this year. The capacity is rated at 40,000 cars per annum.

Earning a profit this year does not necessarily mean a distribution of dividends. The company has deficits which have piled up and which will have to be wiped out before there can be any declaration of dividend. The company, however, is showing steady improvement, although deficits have been recorded during the past three years. The 1925 deficit of $16,902 is the smallest in the three years which were as follows:

1925	$16,962
1924	78,250
1923	36,410

In view of the fact that the company spent $50,000 for Duco equipment during 1925, which is really a capital expenditure, the deficit last year was not a serious one.

The Canadian company owns one of the best equipped and best maintained plants in Canada, which cost about $1,725,000 and is carried on the books at $1,477,239, and has no mortgage encumbrances. On December 31, 1925, the current assets of the company stood at $1,405,152, and the current liabilities at $305,402. A betterment in the financial condition of the company since that time is reported.

There has been much discussion in investment circles as to the wisdom of the transfer of stock in the Canadian company for that of the Delaware on a basis of one of the Delaware for 2, 2½ or 3 of Canadian Durant A, B and C shares. The option which officially expired August 1, has not produced many transfers, it is understood.

The American company owns 56 per cent. of the Canadian stock outstanding, but a dividend of at least 8 per cent. has to be declared to the Canadian shareholders before the American company can participate. Undoubtedly the reduction of the tariff and the recent tax adjustment has stimulated sales. With the privileges allowed the Canadian company for trade with the empire, the Canadian company has further advantage. The present business outlook for Canada is regarded as a favorable one and the Canadian automobile field should continue to be more fruitful.

Dividends for the Canadian shareholders are still far distant, but would the transfer of shares from the Canadian company to the Delaware improve the position of the Canadian shareholder? Admittedly it will take several years of substantial progress to put the Canadian corporation on a dividend paying basis. Is the parent company any better off?

The stock of the Durant Motors Co. Inc., of Delaware, is selling at about $6.50 and recently went as low as $3.50. The original shares of the Canadian company which sold at $10, $12.50 and $15, if converted, would

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

The Background of Canadian Business

WEEKLY REVIEW OF CONDITIONS

Half Year a Record in Transportation
Grain Outlook Good for Canadian Farmer
Foreign Demand Grows With Economic Recovery Abroad
Iron Markets Down, But Business Good

Half-year statistics have just been made available in a number of lines of business and industry where some time is required to complete the returns. In virtually all instances, earlier promies of increased business activity has been substantiated.

One of the most important of these half year returns is in the field of transportation. The unexpectedly large rise in the volume of traffic in Canada during the half-year is one of the most reliable signs of expansion. The two great railway systems have had a remarkable half-year. The Canadian Pacific Railway has had the greatest half-year in the history of the country in gross earnings which were more than $10,000,000 ahead of the 1920 figures. Net earnings were best since the corresponding period of 1918, being almost double those for 1925. June's increase was only shortly behind the big increase recorded in May. The Canadian National returns show an increase of almost 300 per cent. in net earnings for the first half-year. Operating ratios in the case of both roads show the effect of expanding business.

If these increases were due only to the carriage of larger grain crops, they would not indicate much from the standpoint of general business. An analysis of the statements of the two roads, however, shows that the carriage of merchandise and other products has expanded almost relatively with the larger grain shipments. The same is shown from the figures for car loadings which total 1,428,888 this year so far against 1,277,841 up to this date last year. Contributory to the increase, merchandise shipments were almost as important as grain shipments. These figures are more important as a business indicator than is generally recognized.

Grain Takes Center of Stage

Grain statistics and the progress of the crops both here and abroad will be followed with keen interest from now until harvest. Present indications point to both a favorable crop and a favorable price, in Canada. The wheat crops in other countries are less likely to meet requirements than was anticipated some time ago. In the case of Russia, the Central Committee of the Communist Party published figures early in the summer promising a crop of something over 500,000,000 bushels. It was intimated that there would probably be a substantial surplus. More recently these figures have been very materially pared, and it is very doubtful if there will be any substantial surplus. Rumania has a record crop on the way, but Germany and other Central European countries have suffered crop damage from too much rain and other causes. According to recent advices there will be a shorter crop in the United States than was expected and this means a very material drop from last year's. The present heat wave in Western Canada has had a buoyant effect on prices. It is expected that these factors combined will serve to keep world wheat prices up to reasonably high levels. This would contribute much towards another good year in Canada.

Canada Sells More Abroad

The Canadian business situation depends more and more on the state of business abroad. Europe has shown a steady trend towards bettered conditions, and is buying larger quantities of goods from the United States and Canada. The peasants of the central European countries have been living on a scant margin for some years, and demand for foreign products has been negligible. The crops of the past year enabled them to buy on a larger scale, and to obtain food and clothing products on a larger scale than was the case since before the War. Canada and the United States have had their share of this additional business. Canada has benefited also from increased buying of our foodstuffs in the Orient. Last twelve months, ended June, Japanese purchases from us were $38,576,798 against $20,575,796 the year before. Chinese purchases amounted to $26,395,194 against $5,316,712. The total amount of goods sold to all countries, as already indicated in these columns, was $1,349,593,037, as against $1,090,706,331. A continuation of anything like the present rate of increase in our trade with the world would speed up the country's business to a degree unequalled in any other country. No other country has anything like the record of expansion in exports enjoyed by Canada in the past three years.

A general reduction in iron prices both in Toronto and Montreal has put some life into the markets. All grades have gone down one dollar a ton. The steel industry is passing through the mid-summer period without material slackening in demand or production. Much satisfaction is expressed that business is holding up as it is, and, except for a few minor items, the price structure provides no reason for complaint. Implement producers are buying more steel, and reports from Buffalo indicate that Canadian plants are in the market for considerable volume of steel. Some important orders have been received by certain of the steel companies. Altogether business is considered quite gratifying for this time of year.

Except for drouth conditions in parts of the West, the farm situation looks most promising. In Eastern Canada the farmers are said to have realised more on small products than ever before. Retail business especially in rural sections is at a high pitch.

Canadian Business Indicators

Compiled weekly by The Financial Post.

Car loadings	1926	1925
Week July 24	59,251	50,898
Yr. to date	1,664,163	1,478,331
Merchandise shipped—		
Year to date	462,007	$ 436,286
Building permits—		
June (49 cities)	$71,060,835	59,251,588
Construction Contracts awarded, June	54,186,000	33,230,000
Railway Earnings—		
Six Months—		
C.P.R. gross	85,227,786	75,155,819
C.P.R. net	13,956,687	7,797,646
C.N.R. gross	120,989,008	105,543,743
C.N.R. net	14,856,660	3,742,345
Pig Iron Output—tons, June	70,854	45,883
Steel Ingot production—		
June tonnage	81,277	63,140
6 mos. to June 30	410,603	413,891
Automobile production— (Year to date)	$75,769,450	$59,755,291
Newsprint production—		
May tonnage	153,969	130,013
Employment—June index (5,907 firms)	101.0	94.5
Immigration—		
4 months to May 31	39,442	21,776
Business failures—		
No. of firms, May	120	160
Liabilities, May	$2,065,385	$ 3,375,485
Imports of key commodities, 12 mos. ending June—		
Rubber	$37,327,931	$16,557,781
Cotton	$27,507,219	$26,725,520
Crude petroleum	$31,514,766	$22,823,931
Exports of key commodities—		
Canned salmon, May, lbs.	1,303,000	2,019,000
Cheese, lbs.	$ 412,317	$ 2,269,619
Newsprint, May, tons	135,251	115,766
Wheat flour, June, bbls.	1,029,490	596001
Wheat, June, bus.	9,918,315	9,354,355
Grain receipts, Aug. 1 to July 23	$397,125,866	$258,783,320
Bank clearings, June	$1,463,784,765	$1,236,290,649
Sav. dep., May (chart. banks)	$1,334,842,107	$1,259,879,335
Cur. loans, May, (chart. banks)	$ 926,508,698	$ 909,091,414
Exports, 12 mos. to June 30	$1,349,593,037	$1,090,706,331
Imports, 12 mos. to June 30	$ 962,178,723	$ 808,822,004
Bal. of trade, 12 mos. to June 30	$ 387,414,314	$ 281,884,327
Price level, June index, 236 commodities	155.7	158.6
Wheat, No. 1 Nor., Winnipeg, August 2	1.59	$1.67
Cattle—Good, Toronto, Aug. 2, $7.25		Aug. (Av.) $7.47
Hogs—Select, Toronto, Aug. 2, $14.25		Aug. (Av.) $14.00
Pig iron (No. 1 fdy.)	28.50	....
Bond sales, June	$ 59,290,123	$ 30,956,100

Industries Busier Than for Some Years

Illustrating that gradual betterment that has been in evidence in the manufacturing industries in Canada, the index number of employment in all industries prepared by the Dominion Bureau of Statistics stood at 95 in the beginning of July—the highest point for some years. This means that there were 95 per cent. of the number employed that were employed in January, a normal period. It compares with 89 last July and 87 two years ago. The trend of employment in industry during the past two years was:

	1924	1925	1926
Jan.	80	76	83
Feb.	85	79	86
Mar.	86	82	88
Apr.	87	84	89
May	88	87	91
June	88	88	94
July	88	89	95
Aug.	86	89	
Sept.	85	89	
Oct.	86	91	
Nov.	84	89	
Dec.	82	88	

Lumber Trade Passing Through Slack Period

While the lumber industry in Ontario is passing through its slack period, business is highly competitive and there is considerable price cutting according to Canada Lumberman. Sales in the various cities with few exceptions have fallen off for the first half year in comparison with the first half of last year. The outlook for fall is considered fair and stocks are about normal. There is strong demand for laths of most sizes. The hardwood market is slow and such buying as exists is at lower prices than ruled some time ago. New construction was not undertaken or completed on a scale which should have applied in the earlier months of 1926, and fewer buildings are ready for trimming or occupancy. This is reflected in decreased demand for interior woodwork.

Wheat Pools Make $37,000,000 Payment

A second interim payment of twenty cents per bushel on wheat is being mailed to-day from the three provincial pool offices on a small amount of mixed grain. Approximately $37,000,000 will be distributed to pool members in the three prairie provinces in connection with this payment. No payment is being made on coarse grains at this time, but a final payment on these grains will be made in the near future. In addition to the initial payment of $1 a bushel basis No. 1 Northern at Fort William, an interim payment of 20 cents was made in March. The present payment raises the total distribution made by the pool to date to $1.40 a bushel.

Larger Apple Crop Expected This Year

The Federal Department of Agriculture, reports that British Columbia will probably have the largest apple crop on record—estimated at 3,525,500 boxes. Quebec and the Maritimes have prospects of increased yields. Ontario's crop is lighter than last year, according to indications. Estimates show Ontario 774,000 barrels; Quebec 77,900; New Brunswick 40,000 and Nova Scotia 978,726 barrels.

TORRID HEAT IS TAKING TOLL OF WESTERN GRAIN

Heavy Loss Inevitable Unless General Rains Come Almost at Once

The dreaded enemy of the wheat farmer—extended drouth—has made its appearance in the West and has already taken a heavy toll of the crops. During the past ten days torrid heat has been experienced especially in Alberta and Saskatchewan and has lowered the yield in many areas by a wide margin. It is difficult at this stage to predict how much damage may be done unless relief is on the way.

Manitoba, fortunately, has escaped this. The crop promises at least to equal that of last year and there are some who predict a much larger yield. A representative of The Financial Post made observations at several points, and found conditions much better than at this time last year. Manitoba wheat is in head and cutting is fairly general, especially in the southern part of the province. There has been a lack of moisture in some areas and this has tended to cause over-fast ripening. In general, however, Manitoba looks like a good bet this year.

Saskatchewan is in greater need of rain, at time of writing, than any other part of the West. Torrid heat has reduced the yield in many parts, especially south, and has caused depreciation to an extent that cannot yet be measured. Generally speaking, the central areas have suffered most, and the best crop is expected in the northern and possibly the south-eastern sections. At present it seems probable that the yield will be somewhat smaller than that of last year, but much can yet take place. Cutting has commenced but will not be general for a week or more.

Alberta Suffered Also

The irrigation belt of Alberta has stood up well on account of the artificial water supply, but there are sections of the province where excessive heat has taken a large toll, as in Saskatchewan. While drouth has been more excessive since the publication of the last provincial government crop report, this report gives a fair estimate of the situation. It follows. in part:

There has been, however, a considerable period of great heat, and it is idle to argue that this has not had its deteriorating effect. In many districts this condition has been relieved by rains varying in degree, but in the districts where the crop was light, it has had the effect of destroying the prospect for any very large yields.

The chief territory thus affected may be described roughly in two sections, the first being the south-east corner of the province, from Empress district south through Medicine Hat district, and the other being a belt extending from Edmonton eastward and north-eastward to the border of the province with Clover Bar, Mundare and Vegreville districts as its southern base and the St. Paul line of the Canadian National Railways north of the Saskatchewan River as its northern border. North and east of Edmonton through the belt described, the crops are very light, having suffered continuously from lack of moisture. This is an area which has in past years invariably produced good crops, so that the condition experienced this year is most unusual. In this belt the only crop that is showing up is that on summerfallow and early sowing. This, with rain within the next week, will yield fairly well. The remainder of the crop is poor. To the east of Vegreville the situation is better, and east of Vermilion to the border, the crop is very satisfactory.

In the south-eastern section there will be some very light crop, interspersed with some good fields.

In the south-western, central and northern section, with the exception of the territory above referred to, the situation generally is satisfactory, though more rain would be welcome to relieve the present hot spell. Along the eastern border of the province from Lloydminster to Youngstown the crops are very good, though somewhat spotty. In the district from Leduc south to Calgary, there have been heavy rains in the past week and a heavy crop is anticipated in this territory. In the Peace River country, the crop generally is good south of the Peace, but not so satisfactory north of the river. In the irrigated districts good crops are assured. The prospects for the corn and sugar beet crops are satisfactory.

Motor Car Production Increases One-third

Automobile output in Canada, as was anticipated, fell off in June from the high record of May. The total was 21,751 against 15,420 for June of last year, and 24,934 for May of this year. For the first half of 1926 the cumulative production was 33 per cent. above the number made during the same period of 1925. The value of the cars made, based on selling price f.o.b. plant, was about $16,000,000 or 27 per cent. above the value of cars produced in the corresponding period last year. Motor car imports for June amounted to 4,904 and with domestic production, a total supply of 26,655 cars were made available for use. As 4,584 were exported, the apparent consumption was 22,071 against 10,931 for the same month last year.

For the six months production was 124,878 and 16,604 were imported to make available supply of 141,482. As 38,833 cars were exported, the apparent consumption for the first half year was 102,649 against 65,255 for the first six months of 1925 .

Business Prospers as Debt Burden Declines

Interviewed in Winnipeg recently with regard to Canadian business prospects, Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, said:

"Canada's position to-day is a tribute to her recuperative powers. Compare conditions here with those of any other country which participated in the war from the very first and you will realize how fortunate we are. We still have a heavy load of taxation to carry, but like Great Britain, we are one of the very few countries which are meeting their war obligations fully and unreservedly. Not only that, but we are improving our condition every day. During the current year there has been a noticeable betterment in domestic business and the expansion of our export trade, with an increasing balance in our favor, is a tribute to the energy and enterprise with which we, as a people, are putting our house in order."

CANADIAN OIL REFINERIES

The evidence of a growing confidence among the public in stocks of various Canadian oil companies draws attention to the rapid growth in the importation of crude petroleum into Canada for purposes of refining. In 1920 imports were 298,541,000 gallons; in 1921, 311,719,000; in 1922, 391,293,000; in 1923, 397,604,000; in 1924, 418,775,000; in 1925, 440,609,000; and in 1926, year ended March 31, 470,574,000 gallons. This shows a steady growth year by year.

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OUTSIDE MONEY FEEDING O.B.U. IN CAPE BRETON

Besco Follows Course of Recognizing Only the U.M.W.

SYDNEY.—So far as surface indications go, the United Mine Workers are winning an easy victory over the One Big Union in the present campaign to enforce the closed shop idea and restore the Nova Scotia U.M.W. district to the 100 per cent. strength it enjoyed a few years ago. Whether the O.B.U. will be driven out of the province is another question and one not so easily settled.

Some years ago when the full check-off system was in force, it was easy to keep everybody paying dues; but now conditions are changed and although all the workers in the district remained loyal during the 1925 strike, after it was over many of them dropped out of the union and neglected to pay their dues. In some districts hundreds remained outside the organization.

Of this number many became active in the O.B.U. Last fall a campaign was promised by the district executive of the U.M.W. to get these men back into the fold and it has been proceeding with fair results for several months. All but a small percentage rejoined.

Ordinary measures having failed to move these, a series of one-day strikes was resorted to, with the result that New Waterford, Glace Bay and Sydney Mines are now organized 100 per cent. Similar action was taken some time ago at Springhill. Just what will be done at Stellarton, where the O.B.U. has two strong locals, is not yet known.

A few of the men thus forcibly brought back into the U.M.W. are enthusiastic enough radicals to continue secret support to the O.B.U., but few of them can afford to pay dues to two organizations. Under such circumstances any other union could confidently be expected to go out of business, but the Cape Breton officials of the O.B.U. seem to have ample funds from some outside source and may continue local propaganda indefinitely.

The company is making no effort to interfere with the union operations, and seems to regard the sporadic strikes as of little importance. By the terms of the Duncan commission report, the company is urged to recognize and deal with the U.M.W. as the only responsible union representing the men, and Besco practically agreed to this action when it signed the present agreement with the men.

GOLD MOVEMENT TO CANADA IS RESUMED

Not Expected That the Flow at Present Time Will Assume Large Proportions

NEW YORK.—With the shipment of $1,000,000 in gold to Canada, made July 29, the gold movement to Montreal, interrupted since early in May, has been resumed. The shipment announced was made by the J. Henry Schroder Banking Corporation to the Canadian Bank of Commerce at Montreal.

While several other shipments are reported coming, it is not believed that the flow this time will assume large proportions. In May, when the premium on Canadian dollars was persistently above the gold point, about $8,000,000 was shipped to the Dominion. In April about $17,000,000 in gold was exported, mostly to Canada.

Last October and November, American bankers shipped about $46,000,000 in gold to Canada as a result of a premium on the Canadian dollar, but in the three months, January, February, and March, 1926, the rate on Montreal was at a discount, which resulted in the transfer of $66,000,000 here, Canada being a net loser by about $20,000,000; this figure, however, being more than made up by shipments of metal to Canada in April and May.

The premium on Canadian funds, July 28, was $1,720 per $1,000,000. The cost of shipping gold, including loss of interest, cooperage, insurance, transit, etc., is about $1,500 per $1,000,000.

The exchange premium is almost wholly acounted for by the excellent trade position of Canada, which at the present is enjoying a huge surplus of exports. In the twelve months ended March, 1926, exports were $1,315,192,791, as compared with imports of $927,402,732. In the previous year imports were $796,932,537, but exports were considerably smaller, totalling $1,069,067,353.

Manitoba Wheat Pool Would Buy U.G.G. Elevators

BRANDON.—Endorsation of the action of the board of directors in declining the offer of the United Grain Growers, Ltd., to form a joint holding company to operate United Grain Growers and pool elevators, and a resolution in favor of buying or leasing United Grain Grower elevators in Manitoba, were features of the annual meeting of the Manitoba Wheat Pool.

These resolutions passed with only four dissentients, following upon a full discussion of the section of the report of the board of directors dealing with elevator policy. The failure of United Grain Growers, Ltd., and the Alberta Pool to agree with regard to the management of a joint elevator holding company was brought before the meeting and a telegram was read from R. O. German, secretary of the Alberta Pool, stating that following the breakdown of negotiations between the Alberta Pool and the United Grain Growers, the Pool had notified United Grain Growers of their readiness to purchase their elevators in Alberta and had appointed a committee to carry on negotiations for this purpose.

Marked Real Estate Activity in U.S. in June

CHICAGO.—Real estate market activity over the country took a pronounced upward swing during June, according to the index of that activity compiled monthly by the National Association of Real Estate Boards.

The index, based on official reports of number of transfers and conveyances recorded in 41 typical cities, stood at 175 for the month of June. This is twelve points higher than the index for May, and eleven points higher than the index for June of 1925. It is decidedly the highest index number reached in the month of June during the ten years 1916-1926 inclusive, covered by the association's study.

Making allowance for the general long-time trend upward due to population increase it nevertheless indicates a healthy, active state of the general real estate market.

George Wilson Made Head of the White Pine Bureau

Announcement has just been made of the appointment of George Wilson, of Toronto, as general manager of the White Pine Bureau, which is affiliated with the Canadian Lumbermen's Association, formed some weeks ago. Mr. Wilson entered upon his new duties recently. An outstanding figure in business circles, Mr. Wilson was formerly assistant general manager of the Union Bank, and is well known in the financial world. He is president of the Toronto Board of Trade. Coming to Canada when a young man in his teens, he secured a position with a private banking firm at Dunnville, Ontario. Later he entered the employ of the Imperial Bank of Canada, and still later the Union Bank. The new manager of the White Pine Bureau brings to the position insight and training gained from being in close contact with the lumber industry over a long period of years.

Southern Alberta Dry Belt Becomes Highly Productive

Fertile Farms Replace Former Unproductive Land — Industries Springing Up — Business Being Built on Sound Basis

From Our Own Correspondent.

LETHBRIDGE.—Midsummer finds business conditions in Southwestern Alberta improving. With a crop that is rated good, and fair prices for all farm and ranch products prevailing, business in all lines has a stable undertone; wholesalers and retailers are hopeful of a profitable fall turnover. Recent opportune rains have benefited growing crops very decidedly as the moisture will fill out the heads and plump up the kernels. Threshing of winter wheat and rye commenced on July 21, initial deliveries grading No. 1 with an average yield, Winter wheat acreage is increasing in Southern Alberta. C. S. Noble, formerly of the Nobleford Foundation, is leading in a comeback of this crop.

Excepting a stretch of country east and south of the town of Taber, Southern Alberta will thresh a good, average wheat crop this fall. It is likely to exceed 25,000,000 bushels. Most of the wheat is in head and the early-sown fields are taking on the golden tinge. In the irrigated areas surrounding the city there is considerable late grain but this will make a bumper yield as the farmers are liberally applying the water. The Lethbridge northern irrigation tract is a veritable garden this year and production will reach a million and a half dollars as against a million last year. The new provincial government system of irrigated land settlement on that project, the bonds of which are guaranteed by the province, has thickened settlement on the tract to such an extent that to-day the problem of colonization is solved. The intensifying of production on a basis of mixed farming is the objective in the mind of the management.

Farmers in Southwestern Alberta will thresh a bumper crop in many instances. Coarse grains will give a good return while the Pincher Creek timothy hay growers are gathering one of the heaviest crops in years. Alfalfa growers in the irrigated areas are marketing their first cutting and preparing to garner their second cutting. The crop is heavy. British Columbia mining and lumbering camps are absorbing most of the marketable baled hay.

Range conditions are also good although a soaking rain would help the grass and renew watering ponds. Sheepmen are dipping their flocks, shearing operations being over for another year. Two million pounds of wool may constitute Southern Alberta's clip this year, the biggest clip in the history of the industry in these parts. Fleeces on many ranches have averaged ten pounds in the grease. Some idea of the expansion of the industry may be gained in the knowledge that 400 growers will ship wool to the Canadian Co-operative Association's warehouse at Weston, Ont., this season. This means that 100 new shippers will open accounts with the wool pool most of them farmers running small bands of from 100 to 300 head. This is the trend in the industry—from the big range flocks to the farm flocks.

The beet sugar industry is well along in its second year with bright prospects. Officials of Canadian Sugar Factories, Ltd., which last year operated for the first season a 1,000-ton daily capacity factory at Raymond, Alta., are predicting a good run this fall. Mark Austin, field superintendent, after a recent inspection of the beets from Taber to the United Irrigation tract, told The Finacial Post the stands are away ahead of last year, cleaner fields and better beets. Acreage has jumped to 7,000 acres which will probably mean a three-months run of the factory. Farmers are now irrigating their beets to increase the weight. Later warm, dry weather will be needed to build up the sugar content.

Study Feeding Industries

This winter will see an increase in the livestock feeding industry in this region. The government of Alberta, P. Burns, Ray Knight, and others made important experiments in steer and lamb feeding with sugar beet by-products—pulp and molasses. So satisfactory were these tests that the operations will be repeated on a bigger scale than ever. Grains were steady and the meat of the primest quality when dressed providing a little grain is used in finishing the animals. It is a notable fact that the blue ribbon beef in the Lethbridge and District Calf Club competition at the Lethridge Exhibition in July was an animal fed and shown by John Anderson, a Raymond boy, who made beet pulp the basis of his winter feeding. **The possibilities of this new source of feed supply are enormous, and the feeding industry can be made to bring millions of new money into the country as it does in the beet-growing sections of Colorado, Montana, Idaho and Utah.**

Turning from agriculture, to mining, the second largest industry here, the situation is also cheering. Domestic coal mines are working from three to six days a week and operators believe the mines will go on full time in another month. In the Crow's Nest Pass the bituminous mines are still busy supplying coal to the C.P.R. coal dumps on the prairie. On the whole, the miner is slowly rehabilitating himself and has a little money to spend outside the bare necesities. This naturally is helping trade.

Made First Fishing Trip at 9; Now Heads Gosse Company

Robert C. Gosse, president and managing director, Gosse Packing Co., Vancouver, has spent practically his entire career—he is 46 years of age—in the fishing industry, having made his first trip on a fishing steamer with his father,

Captain R. E. Gosse, when he was nine years of age. To-day Mr. Gosse is head of the Gosse Company, whose salmon pack in 1925 was the second largest of that of any Canadian fishing and packing company, being exceeded only by that of the Canadian Fishing Co., the Canadian subsidiary of the New England Fish Company, Inc.

IMMIGRATION RECORDS BROKEN

WINNIPEG.—The Manitoba government has commenced an agricultural survey of unoccupied lands in the province which when completed will provide the incoming settler with all available information on such lands. A total of 2,474 homesteads have been taken up in Western Canada this year. In addition 657 families consisting of 3,133 persons have come to the western provinces under the government settlement scheme.

The Canada Colonization Association has placed 643 families on 150,555 acres of land in the past year. All post-war immigration records were broken recently when 1,681 immigrants passed through Winnipeg in forty-eight hours.

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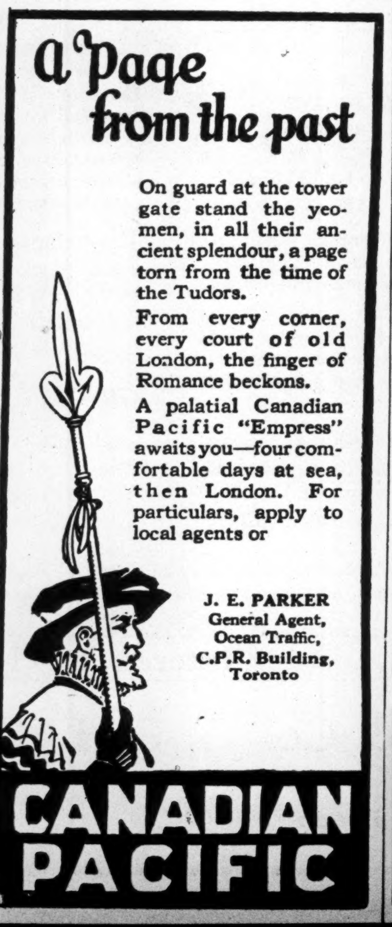

a Page from the past

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THE HON. GEO. S. HENRY, Minister of Highways
S. L. SQUIRE, Deputy Minister

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MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Aug. 4	95.6	93.3
Week of July 28	94.2	93.0
Mth. of Aug., 1925	84.2	76.3
9 Bank Stocks		
Week of Aug. 4	$225	$224
Week of July 28	225	224
Mth. of Aug. 1925	210	208
10 Public Utilities		
Week of Aug. 4	93	92
Week of July 28	93	92
Mth. of Aug. 1925	91	87

The market trend is still upward. Midsummer trading is being marked by more than usual interest. This is largely by the result of the activity in New York, where the advance of the speculative leaders has become nothing short of sensational even for Wall Street. Under the leadership of General Motors and United States Steel the market averages have been swept up to and through the high level established in February last. prior to the spring reduction. That Wall Street is now on new high ground is something which should not be overlooked in judging present prices. However, the remarkable advances by the leaders are an important factor in this situation, and the position of the rank and file of the stocks is still below their high marks. The indications for the early future are that the forward movement will be continued unless the increasing interest of the public peters out. Wall Street is now justifying the opinion of those few who held to the view that the spring slump was an adjustment of more than usually drastic character rather than the first stage of a bear market. They based their opinion on money rates. It should not be overlooked, however, that the spring high averages have already been passed and that there are now certain indications that easy commercial money rates will not continue indefinitely.

This discussion of the New York situation has its interest for the holders of Canadian securities because Wall Street is for the time being an important speculative influence directly and indirectly on the Canadian markets. Not only is there the sentimental effect of industrial leaders soaring to high and higher levels, with indications that the prosperity being discounted may be shared by Canadian industries, but there is the factor of American buying of Canadian products like paper and also a demand for certain Canadian securities, particularly some of the papers and mines.

In the Canadian situation developments continue generally favorable from the business standpoint. In some sections of the West the crops are suffering from lack of moisture but the prospects are still for an average yield over the three prairie provinces, while in the East the outlook is for a splendid harvest. Maintained or improved business should be experienced during the fall and winter months despite the disturbance of the elections. Money may become somewhat firmer but there is no indication of anything like pressure to liquidate developing in this direction; there should be plenty of funds available for both industrial expansion and market operations.

So far as the Canadian market is concerned there has probably been more accumulation than distribution since the selling movement of the spring, but price levels are generally high and a reaction in New York would not be without its effects. Following is a summary of the week's changes by groups:

	Gains	Losses	Unch.	Tt'l
Banks	2	2	5	9
Paper	11	1	2	14
Steel	7	2	22	31
Foodstuffs	13	9	16	38
Utilities	7	6	13	26
Tractions	7	4	4	15
Textiles	1	2	11	14
Industrials	12	15	31	48
Totals	60	41	94	195

The paper stocks generally have moved to higher levels. The indications of business prosperity in the United States and the prospects for an expanding market for the products of the Canadian companies which are increasing their capacity materially, have evidently affected investment sentiment in regard to the securities in this group. In addition there is reported considerable New York buying in some of the companies known there, Abitibi has been the leader and there are reports that this company will increase dividends.

Steel stocks have also been generally strong. Reports of business are generally satisfactory. The automobile and implement intustries are increasing their consumption of materials. In the milling and foodstuffs group advances have been in the majority with Lake of the Woods outstanding, with a gain of 5 points. The utilities have not been in so strong demand but recent gains have been well held. In the tractions a number of moderate increases have been noted. Textiles have been comparatively neglected and prices have been inclined to sag. In the general industrials there has been no marked change but losses have been slightly in the majority. Asbestos Corporation has been a weak spot while Sherwin-Williams preferred advanced impressively.

LARGER PROFITS FOR ONTARIO STEEL CO.

Sales and Tonnage Were Materially Increased — Demand for Horse-drawn Vehicles

MONTREAL.—A satisfactory showing is made by the Ontario Steel Products Company for the fiscal year ended June 30, 1926. This exhibit shows higher profits and an improved working capital position. The board reports sales and tonnage output at record figures, although lower prices reduced the percentage of profits.

	1926	1925
Oper. profits	$227,619	$219,956
Depreciation	61,968	61,968
Net profits	$165,651	$157,987
Bond interest	25,260	26,550
Bond S. F.	22,740	21,450
Pref. dividends	52,500	52,500
Com. dividends	30,000	30,000
	130,500	130,500
Balance	$ 35,151	$ 27,487
Prev. Surplus	435,502	415,516
Total surplus	$470,653	$443,003

W. Wallace Jones, president, and W. T. Sampson, director, reporting to shareholders of the administration, say: "Sales and tonnage reports show a substantial increase over any previous year in your company's history, but, owing to lower prices, your average percentage of profits has not been maintained. During the year your directors authorized certain expenditures for improvements and equipment has been provided for the manufacture of two new products. It is hoped that satisfactory results from these expenditures will be reflected in next year's statement. Notwithstanding increased motor car production, your horse-drawn vehicle department shows largest sales since 1918. Earnings from specialties have been very satisfactory.

"An additional $22,500 has been written off goodwill account, and a further $12,000 has been appropriated for employees' pension fund. After retirement of $22,500 of your company's bonds on July 2, 1926, there is still held in the treasury $55,900 for further sinking fund purposes."

Working capital increased nearly $100,000, being shown at $904,060, with current assets at $1,067,674, and current liabilities at only $163,614.

Total Assets in excess of $800,000

DOMINION FINANCIAL CORPORATION LIMITED

232 St. James Street
Montreal

Mortgages Purchased

No Compromise in Security Values

DEMAND STERLING REPORTS
CERTIFIED REGISTERED PROFESSIONAL ENGINEERS
Sterling Appraisal Company Limited
9-11 E. Wellington St. Toronto

Public Utilities

BRAZILIAN MAKES NEW HIGH PRICE ON THE MARKET

Better Earnings Are Being Anticipated for Second Half Year

New buying of Brazilian Traction was a feature of the Canadian stock markets this week and the price went to a new high level above 103 on a heavy turnover. Montreal interests who have been prominent in Brazilian market activities all during the rise of recent months were again reported to be absorbing the stock. There was nothing in the way of news but old rumors of a split in the shares or a special dividend distribution were revived. As has been previously reported the company is now in a splendid physical position, with increased power capacity and increased earnings are anticipated for the second half of the year; greater power supply will be available and profits on telephone operation should be higher in view of the increased rates. As regards exchange there are no new developments but the political situation is regarded as generally favorable to a constructive economic program. London buying is reported as being a factor in the situation.

Proceedings at the annual meeting of the Brazilian Traction were of routine character. One new name was added to the board of directors, H. H. Couzens, vice-president in charge of subsidiary companies, being appointed to fill the vacancy created by the death of F. A. Huntress.

In the absence of President Sir Alexander Mackenzie, E. R. Wood, vice-president, referred briefly to a number of the more interesting phases of the company's operations. He pointed out that the company was meeting the tendency to increased jitney competition by the establishment of a gasoline bus service in the two cities. Some months ago some forty-three buses had been placed in operation, and the results were effective. It was the company's intention to increase this service from time to time as conditions warranted. Referring to the power development at Serra, Mr. Wood stated that the first of 40,000 horsepower would be turned on by the end of August or early September, and the second unit by the end of the year. The power problem of both Sao Paulo and Rio de Janeiro was now solved for years to come, and the company in a position to care for the growing industrial needs of the communities served.

Barcelona Traction Shows Continued Operating Increases

Judging by the earnings report of the Barcelona Traction, Light and Power Co., for June, the recent weakness in the stock has been due to the unfavorable development in regard to Spanish exchange, rather than to any change in the company's satisfactory operating position. Net earnings for June of 4,209,922 pesetas, indicate an increase of 83,850 pesetas as compared with June of 1925. The company has shown consistent increases in earnings throughout the current fiscal year. For the six months ending June, net earnings were 30,297,324 pesetas, an increase of 1,166,272 pesetas.

Montreal Power Shares Show Remarkable Increase

MONTREAL. — Montreal Light, Heat and Power has announced that the change in the by-laws approved at the recent special meeting of shareholders, was made effective August 2nd. The change in question calls for the conversion of each $100 par value share of the company's capital stock into one six per cent. cumulative, redeemable preferred share of $50 par value, and three common shares without nominal or par value. Interim certificates for the new shares will be ready August 16 for delivery on surrender of the present stock to the Montreal Trust Company.

The remarkable increase in the value of the equity in the Montreal Light, Heat & Power Co., represented by the stock in the hands of shareholders is indicated by a five year comparison. In 1921 the stock sold as low as 77½, giving a market value of about $50,000,000 to the issued capital. At 220 the market value has increased to $143,000,000, a gain of $93,000,000.

Duluth-Superior Fails to Maintain Improvement

The improvement in earnings of the Duluth-Superior Traction Co. for the first quarter of 1926 was not maintained during the second quarter of the year. For the three months ending June, net income amounted to $4,832 compared with $10,647 for the second quarter of 1925. Gross revenue was $438,564 compared with $449,331 the previous year. For the six months the showing was also something of a disappointment, the net income being $34,177 as against $57,112 in the corresponding period of 1925.

The market for the company's shares has been somewhat easier recently; the price declining to 29 as compared with a high for the year of 33¼ a few weeks ago.

Maritime Electric Plans Big Capital Expenditures

FREDERICTON.—The anticipated capital expenditure for plant and equipment improvements to be made during the ensuing year in connection with the Maritime Electric Company's systems in Fredericton, Charlottetown, Bridgetown, St. Stephen and the State of Maine is approximately $150,000.

TWIN CITY'S EARNINGS

Twin City Rapid Transit Company report for quarter ended June 30, 1926, net income of $273,185 after taxes and fixed charges, equivalent after allowing for dividend requirements on 7 per cent. preferred stock, to $1 a share earned on 220,000 shares of common stock. This compares with $240,733 or 85 cents on common in second quarter of 1925.

Net income for first half of 1926, was $722,445 equal to $2.80 a share on common, against $658,223 or $2.51 ashare in first half of previous year.

INVEST IN CANADA

The following issues of Canadian Public Utility and Industrial Companies are representative of a broad list of securities which we have investigated and which we recommend for investment. Full particulars of these issues will be gladly furnished upon request.

SOUTHERN CANADA POWER COMPANY, LIMITED—*5% Bonds due 1955.*

Serves 80 municipalities in the Eastern Townships of the Province of Quebec. Owns or controls under leases 160,000 H.P., of which 54,000 H.P. is developed.

Price...$97 and interest to yield 5.20%.

NORTHERN CANADA POWER LIMITED—*6% Bonds due 1945.*

Controlled by Canada Northern Power Corporation, which Company serves the mining camps of Northern Ontario.

Price...$101.50 and interest to yield 5.90%.

OTTAWA-MONTREAL POWER COMPANY, LIMITED—*6½% Bonds due 1949.*

Serves over 40 municipalities located in the Ottawa Valley, in that territory lying to the west and north of the Island of Montreal.

Price...$103 and interest to yield 6.25%.

OTTAWA RIVER POWER COMPANY, LIMITED—*6½% Bonds due 1953.*

Delivers power in the City of Ottawa under contracts with the Hydro-Electric Commission at Ottawa and the Ottawa and Hull Power Company, Limited.

Price...$103 and interest, to yield 6.25%.

ST. LAWRENCE PAPER MILLS, LIMITED—*6½% Debentures due 1936.*

Owns a most modern low cost mill with a present capacity of 150 tons of newsprint and 100 tons of sulphite pulp per day. Now doubling its present newsprint capacity.

Price...$100 and interest, to yield 6½%, carrying warrants to purchase three shares of Common Stock.

EASTERN DAIRIES, LIMITED *7% Preferred Stock.*

Owns and operates dairies in the Cities of Montreal, Toronto and Ottawa. Distributes Milk, Cream, Butter and Ice Cream.

Price... $100, to yield 7%, carrying a bonus of one-half share Common with each share of Preferred.

EAST KOOTENAY POWER COMPANY, LIMITED—*7% Preferred.* Operates two hydro-electric plants in British Columbia, serving the Consolidated Mining and Smelting plant at Kimberly, the cities of Cranbrook and Fernie, and the Coal Mines in the Crows Nest District. *Price $100, to yield 7%.*

Write for Circular No. Y-22, showing a diversified list of Canadian Investment Securities.

NESBITT, THOMSON & COMPANY
LIMITED
ROYAL BANK BUILDING - - TORONTO 2
MONTREAL QUEBEC HAMILTON LONDON, ONT. WINNIPEG

503

$500,000

Central Public Service Company

Series "A" 6% Collateral Trust Gold Bonds

Dated July 1, 1925 Due July 1, 1940

Interest payable January 1 and July 1. Coupon Bonds in interchangeable denominations of $1,000, $500 and $100. Bonds registerable as to principal only. Redeemable at the option of the Company in whole or in part on any interest date on thirty days' notice at 101 and accrued interest. Principal and interest payable in Chicago at the office of the Standard Trust and Savings Bank, Trustee. Interest payable without deduction for normal Federal Income Tax not to exceed 2%.

The Company will refund upon proper and timely application the Pennsylvania Four Mill Tax, Connecticut Four Mill Tax, Maryland Four and One-Half Mill Tax, California Personal Property Tax not in excess of four mills per annum, and Massachusetts 6% Income Tax.

Mr. A. E. Peirce, President of the Company, summarizes his letter to us as follows:

Business: Central Public Service Company, a Delaware Corporation, furnishes, through operating properties, public utility service in various communities of Illinois, Wisconsin, Michigan, Indiana, Maine, New York and New Brunswick, comprising a population of approximately 300,000. The sources of net revenue of the properties are reported as follows: electric light and power 67.5%; gas 17.5%; water 11.5%; railway and heat 3.5%. All of the properties in Wisconsin, Lower Peninsula of Michigan, Maine and New Brunswick are hydro-electric. The present capacity of the electric stations equals 26,629 h.p., of which 12,213 h.p. is hydro-electric. Connected to these stations are 1,036 miles of transmission and distribution lines. The gas plants have a rated capacity of 3,030,000 cubic feet of gas per day and the gas distribution systems total 173 miles of mains.

Capitalization: Upon completion of present financing.

	Outstanding
Series "A" 6% Collateral Trust Gold Bonds (this issue)	$1,854,000
6½% Secured Gold Notes	350,000*
Preferred Stock, $7 Dividend Series (no par value)	10,000 Shares
Common Stock (no par value)	180,000 Shares

*Closed issue, secured by $350,000 Debenture bonds of Michigan Water Power Company. Funds have been deposited with the Trustee for the payment of interest on this issue during the construction period.

NOTE: The above capitalization does not include $10,109,000 funded debt and 21,000 shares (no par value) Preferred Stock of subsidiary companies outstanding in the hands of the public.

Security: These Bonds, in the opinion of counsel, are the direct obligation of Central Public Service Company and are secured by deposit of all of the Common Stocks of its subsidiary companies. Additional bonds may be issued under restrictions as set forth in the Trust Indenture. As recently determined by independent engineers, the properties which are the basis for the security of this issue have a reproduction value—in excess of all outstanding securities senior to this issue—of approximately $6,000,000, or more than $3,000 for each $1,000 of these Bonds.

Earnings: Consolidated earnings for the twelve months ended December 31, 1925*, as certified by Messrs. Haskins & Sells, Certified Public Accountants, were as follows:

Gross earnings	$2,413,122.71
Operating Expenses, including maintenance and taxes (other than Income Taxes) but excluding depreciation and reported non-recurring items	1,372,785.23
Net Earnings	$1,040,337.48

*With respect of the Maine and New Brunswick properties, earnings are included for the 12 months ended September 30, 1925.

The above earnings do not reflect any benefit from funds deposited for the construction of two hydro-electric power plants in Michigan, nor is interest on securities issued in connection with the financing thereof included in the following statement, funds therefor having been deposited with the Trustee for the period of construction.

The balance of net earnings, as shown above, after deducting $694,450 for fixed charges of subsidiaries is $345,887.48—over 3 times annual interest requirements on the total amount of these Bonds outstanding.

Equity: These Bonds are followed by Preferred and Common Stocks having an indicated aggregate present market value of $3,700,000, representing approximately $3,000 of value for each $1,000 bond. The Common Stock is listed on the Chicago Stock Exchange.

Legality approved by Messrs. Chapman, Cutler & Parker, Chicago. Audits by Messrs. Haskins & Sells, Certified Public Accountants. Appraisals by Messrs. Spooner & Merrill, Consulting Engineers.

Price 97 and Accrued Interest, to Yield over 6.30%

Thompson Ross & Co.
Incorporated
New York Chicago Boston

F. H. Blakely & Company
Northern Ontario Bldg.
Toronto

The above statements have been obtained from sources that we deem reliable, and although not guaranteed, are accepted by us as acc

Food Products

REORGANIZATION OF B.C. FISHING AGAIN RUMORED

Salmon Packers Cheerful and Outlook on Coast is Good

British Columbia fishing and packing stock is hemmed around by a myriad of rumors. There are merger rumors and dividend increase rumors. There is a new one now that a capital reorganization of the company is planned. Although nothing official is forthcoming it is suggested in the street that there will be an issue of preferred shares amounting to some two million dollars—that the common stock will be changed from $100 par to no-par value—that such new securities will be distributed to the shareholders on the basis of two shares of preferred and twelve shares of common for each five of the present shares. This would call for a distribution of more than 17,000 shares of preferred.

In any event the business of the company is considered to be in a quite satisfactory position. Last year the company earned almost $6 per share on the stock, and in February last the 5 per cent. dividend was resumed.

British Columbia salmon packers are decidedly cheerful at present, and it is because of the very noticeable increase in world demand for their product. Happily, they are able to meet this demand and reports just given out here show that last year's pack was the largest but one in the history of the province's fisheries.

According to John P. Babcock, assistant to the commissioner of fisheries, the demand for salmon is steadily increasing and this is largely due to a growing appreciation of the food value of this species and to the decline in the Alaskan pack. If the demand continues, he says, it will soon reach a point in excess of production.

PURE GOLD MANUFACTURING

The annual meeting of the Pure Gold Manufacturing Company will be held in Toronto on Monday, August 16. The books were closed on August 3 and will be opened again on August 17.

Dominion Stores Recovers Slightly

After a temporary slump which carried it to below 64, Dominion Stores common has rallied again to 64⅞. The high point of the year so far was 68, recorded early in March and the low point point was 57 early in April. The business of the company is reported to be proceeding on a quite satisfactory basis.

Lake of the Woods Common is Stronger

Without any definite change in the flour milling situation, some of the milling stocks have showed a strengthening tendency. Lake of the Woods common has strengthened to 150 from a low of 140, reached a few weeks ago. Export business in flour has shown an upward trend during the past two months, and there are indications that world demand will be keen during the coming fall and winter.

Canada Bread Common Dividend Increased

That buyers have been discounting the increase in Canada Bread common dividend announced this week is evident from the gradual upward trend of the stock during the past two months, and the comparatively small effect of the announcement. Yet the declaration of a half-yearly dividend of $2.50 a share which is equal to a yearly rate of $5 on the 25,000 shares of no par common, created by the recapitalization plan last year, came more or less as a surprise. It was more or less understood that no announcement would be made until the fall, although the satisfactory condition of business indicated that it was only a matter of time until such action was taken. The preferred shares have remained practically stable.

Atlantic Sugar Common Has Recovered Recently

Atlantic Sugar common has recovered to 25½, which is the highest point since June. Receipts of raw sugar in Canada during a four-week period ended July 17, amounted to 108,421,542 pounds as compared with 102,723,948 pounds in the corresponding period of last year. Total receipts from January 1 to the end of the period under review amounted to 610,698,764 pounds as against 656,130,565 pounds in the same period of 1925, according to a report on the Canadian sugar industry, issued by the Dominion Bureau of Statistics, Ottawa.

The amount of granulated sugar manufactured during the four-week period under review is slightly under the output of the corresponding period of last year, and the production of yellow and brown is also under last year's total.

Stock Market Record

WEEK ENDING AUGUST 3

	Div. Rate	Yield Aug.2	High for wk.	Low for wk.	Close Aug. 3	Close July 27	Sales for wk.	Range, 1926 High	Range, 1926 Low
Banks—									
Commerce	12+1	5.79	225	223	224	224	45	226	214
Dominion	12+1	6.15	211	209½	211	211	48	219	209½
Can. Naionale	10	6.32	...	...	...	...	...	170	157
Imperial	12+1	6.30	206	205	205	205	42	215½	200
Montreal	12+2	5.24	272	267	267	270⅛	97	272	251½
Nova Scotia	16	5.44	294	293	293	293	51	300	281
Royal	12+2	5.60	251½	250½	251	250½	123	255⅛	248
Standard	12	6.25	192	191	191	194	11	200	190
Toronto	12	5.47	219½	218	219½	218	175	222	213
Paper—									
Abitibi, com. (no par)	4	4.80	83¼	75	81½	74½	14064	85½	70¼
Do. pref.	7	6.42	109	109	109	108¾	5	116	106¾
Belgo-Can. pref.	7	7.03	99½	98½	99¼	98½	123	101	95¾
Brompton (no par)	.	....	32¼	29½	31⅞	29½	3038	35¼	26
Laurentide	6	6.64	90¼	86⅞	89¼	87½	2866	93½	81½
Price Bros. com.	2	2.68	74½	68	70	68	2620	74½	57
Do. pref.	6½	6.50	100	100	100	100	71	100	95
Prov. Paper, com.	6+1	6.73	105	104½	104½	104	50	104	100
Do. pref.	7	6.78	..	...	...	...	...	104½	100
Smith, Howard, com.	.	....	50	48	50	49	156	54½	38
Do. pref.	8	8.16	98	97	98	96½	169	101	92¾
Span. River, com.	7	6.79	103	99½	102¾	99⅛	2130	103	96½
Do. pref.	7	6.19	114	110⅝	114	112½	393	119	108
Wayagamack	.	....	74	73	74	71	110	83	56
Steel and Steel Industries—									
B. E. Steel, com.	.	....	½	½	½	¼	10	3½	¼
Do. 1st pref.	.	....	9⅞	9½	9¾	9¾	115	30	9
Do. 2nd pref.	.	....	2	2	2	2	240	10¾	2
Can. Car & Found. com.	.	....	..	...	...	...	...	49	33
Do. pref.	7	8.58	82	81½	81½	81½	55	85¾	73
Can. Fairbanks, pref.	.	....	..	...	...	...	...	60	60
C. G. E. com. (par $50)	.	....	48	48	48	50	15	51	47
Do. pref. (par $50)	7	6.36	55	55	55	55	30	60	48
Can. Loco. com.	.	....	..	...	...	...	...	42	35
Do. pref.	7	8.75	..	...	...	...	...	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	9
Do. pref.	.	....	..	...	...	...	...	42	39
Can. Forgings, pref.	.	....	..	...	...	...	...	50	41½
Dominion Coal	.	....	50	50	50	50	20	52	40
Dom. Iron, pref.	.	....	..	...	...	...	...	24¾	5
Dominion Bridge	4	4.00	102	100	100	100	105	102½	86
Dom. Radiaor, pref.	7	6.93	..	...	...	...	...	103½	100¼
Dom. Steel Corp. pref.	.	....	16½	16½	16½	16	25	25	10⅝
Ford Motor	10	....	..	...	...	...	...	622	500
McKin. Ind. (no par)	.	....	22½	21	22	22	210	26½	15
Do. pref.	7	8.04	90	88½	88½	87	30	92	87
Massey Harris, com.	.	....	63	60½	61½	63	615	63½	40
Do. pref.	7	7.25	97	96	96½	95	42	97	93
N.S. Steel, pref.	.	....	..	...	...	...	...	25	25
Ont. Steel, com.	4+1	6.66	75	74	75	74	35	76	60
Do. pref.	7	7.00	..	...	...	...	...	102	98
Russell Motor. com.	3	7.50	..	...	...	...	...	42	39
Do. pref.	7	7.77	90	90	90	90	30	90	76
Sawyer-Mass. pref.	.	....	..	...	...	...	...	13	5
Steel of Can., com.	7	6.66	105	104	104½	104	535	106½	95⅛
Do. pref.	7	5.69	123	120	123	120	111	123	114
Milling and Foodstuffs—									
Arnolds com. (no par)		....	21¾	21½	21¾	22	70	26⅝	18
Do. pref.	7	7.77	..	...	...	...	...	92	89½
Alantic Sugar, com.	.	....	25½	24	25½	23½	1065	33⅞	21½
Do. pref.	.	....	80	80	80	80	30	88	75
B.C. Fishing	5	6.49	78	76	77	76¼	4087	78	57¼
Can. Bread, com. (no par)	.	....	80	77	80	76¾	312	78	53
Do. pref. (A)	7	6.37	109¾	108	108	110	6	110	105
Do. pref. (B)	7	7.07	99	98¾	99	99	84	100	96¼
Can. Canners, com.	.	....	13	13	13	13¼	116	15	12
Do. pref.	4	6.15	65¼	65	65	65	131	67¾	60
Canadian Salt	8	6.40	134	124	124	125	22	145	124
Christ. Bisc. com. (no par)	30c	....	..	...	...	...	...	63½	44¼
Can. Baker. com. (no par)	.	....	35¼	34¾	35	33½	138	37¾	26½
Do. pref.	7	7.42	94¼	94	94	94	50	98½	92⅛
City Dairy com. (par $25)	12	4.02	75	74⅛	74½	75	130	81	67
Do. pref.	7	6.42	..	...	...	...	...	112	107
Cuban Can. Sugar, com.	.	....	3	3	3	3	5	5	3
Do. pref.	.	....	22	22	22	22	25	28	21½
Dom. Stores, com. (no par)	60c	....	65½	62	64⅞	63½	378	68	56
Do. pref.	.	....	..	...	...	...	...	116	106
Wm. Davies (A) (no par)	.	....	32	31	32	30¾	328	37½	29
Inter. Mill. pref.	7	7.00	99¾	99	99¾	100	23	105¼	99
Lake of Woods, com.	12	8.00	150	148	150	145	95	175	139
Do. pref.	7	5.98	117	117	117	116	20	118	115
Loblaw com.	.	....	30	29¾	30	30	65	30	29¾
Do. pref.	.	....	100½	100½	100½	100¼	4	102	100½
Maple Leaf Mill, com.	.	....	61	60	61	62¾	110	88	50⅛
Do. pref.	7	7.36	95	95	95	93	10	102	92
Ogilvie Flour, com.	5	2.77	180½	180	180½	181	215	200	165½
Do. pref.	7	5.98	117	117	117	117	20	125	117
Pure Gold Mfg. (no par)	50c	....	21	18½	19½	18½	79	23½	17½
Shredded Wheat (no par)	75c	6.00	51	50¾	50¾	50¾	215	51¼	47½
St. Law. Flour, com.	.	....	38	38	38	39	25	45	28
Do. pref.	7	8.53	..	...	...	...	...	84	82
Viau Bisc., com.	.	....	28	28	28	27½	10	28	18
Do. pref.	7	7.86	89	89	89	88	5	89	85
West. Grocers, com. (new)	.	....	25	24	25	25	11	27	24
Do., pref. (new)	7	....	..	...	...	...	...	70	62
West. Grocers, com.	.	....	5	5	5	4	10	13¼	4
Do. pref.	.	....	..	...	...	...	...	64	49
Utilities—									
Bell Telephone	8	5.78	138¼	138	138	138	284	141	136
Consumers Gas	10	5.77	173½	173	173½	173½	191	183⅞	170
Inter. Util. (A) (no par)	87¼	....	31¼	31¼	31¼	31½	50	38½	31¼
Cons. Gas. (rights)	.	....	..	...	...	...	...	4.85	3.90
Cedar Rapids	3	....	..	...	...	...	...	50	40
East. Koot. Power	.	....	..	...	...	...	...	32	25
Jamaica Pub. Ser. pref.	7	7.21	97	97	97	98	167	99¼	96½
Laurentide Power	5	4.58	109	109	109	109	10	110	100
Mackay, com.	7	5.12	136½	135	135	135	75	136½	105
Do. pref.	4	5.65	72	70¾	72	72	38	73½	68¾
Mexican Light, com.	.	....	29	29	29	30	3	31⅞	29
Do. pref.	.	....	..	...	...	...	...	86	64
Mont. L. H. & Pr. Cons.	8	3.63	221½	219	220	221	1840	230	209
Mont. Telegraph (par $40)	8	6.66	48	48	48	48	50	51½	48
Ottawa L. H. & Pr. com.	6	625	96	96	96	96	1	100	92
Do. pref.	6½	6.42	101½	101¼	101¼	101¾	10	105¼	100
Quebec Pr. com.	5	4.00	126¼	125	126¼	126	129	130¼	113
Do. pref.	7	6.22	114	112½	112½	111½	10	116	109½
Shawinigan	8	3.93	206	203	203	202½	732	208¼	167½
South. Can. Pr. com.	2.00	2.41	83	81¾	83	82	1595	92	81
Do. pref.	6	5.94	101	100	100	100	96	104½	100
Do. rights	.	....	..	...	...	...	...	2	¾
Ottawa & Hull Pr. com.	.	....	..	...	...	...	...	46	25
Transportation—									
Can Pac. Rly.	10	6.09	165	162⅝	164⅜	163¾	60	166½	147
Can. Steamships, com.	.	....	18	17⅞	17⅞	18½	330	20	11
Do. pref.	.	....	72	70⅞	71	70	755	73¼	56
Do. voting	.	....	..	...	...	...	...	19	11
Tractions—									
Barcelona (par $50)	.	....	31½	31	31½	35½	195	36¼	26
Brazilian, com.	5	4.91	102⅞	100	101	100⅛	29671	102⅞	80
Do. pref.	6	5.81	103¼	103¼	103¼	100¼	35	103¼	97½
Detroit Un. Rly.	.	....	1¾	1¾	1¾	2	85	3½	1¾
Duluth-Superior	.	....	30	29	29	30	15	33¼	25
Illinois Traction, pref.	6	....	..	...	...	...	...	96¼	96¼
Montreal Trams.	10	5.79	172½	171½	172½	171	77	178	159
Ottawa Traction	4+1	7.93	63	62	63	62	15	65⅞	60
Porto Rico Rlys. com.	.	....	43½	43½	43½	43½	5	47	40
Do. pref.	7	7.95	..	...	...	...	...	91	85½
Quebec Rly.	.	....	25	25	25	26¾	61	26⅝	25
Twin City, com.	5	7.04	71½	70½	71	70½	420	79½	68¼
Do. pref.	7	6.79	..	...	...	...	...	103	102¼
Winnipeg Elec. com.	1	....	52	48¼	49½	48½	1880	54⅞	45¼
Do. pref.	7	7.10	98½	97	98½	97½	70	100½	95
Textiles—									
Can. Conn. Cot. pref.	4	....	..	...	...	...	...	49	37
Can. Converters	7	7.69	93	91	91	93	52	94	90
Can. Cotton, com.	8	6.66	..	...	...	...	...	124	113
Do. pref.	6	6.41	93½	93½	93½	93½	5	99½	93½
Can. Woollens, com.	.	....	..	...	...	...	...	8	4
Do. pref.	.	....	..	...	...	...	...	50	45
Dom. Textile, com.	5	5.36	94	93¼	93½	94	150	99⅛	89
Do. pref.	7	5.88	119	119	119	119	15	122	115
Monarch Knit, pref.	.	....	..	...	...	...	...	50	45
Mont. Cottons, com.	6	5.45	110	110	110	110	17	111	102
Do. pref.	7	6.08	115	115	115	115	25	115	110
Penmans, com.	8	4.30	186	186	186	186½	45	190	173
Do. pref.	6	5.85	102½	102½	102½	102½	6	104½	101½
Wabasso Cotton	4	5.88	68	67	68	65	35	68	60
General Industrials—									
Am. Salesbk. c. (par $20)	4	6.15	65	65	65	65	15	70	54
Do. pref.	7	7.44	94	94	94	93½	15	98	92
Asbestos Corp. com.	6	....	..	...	...	...	...	110	89
Do. pref.	6	....	..	...	...	...	...	128	109
Do. com. (new)	.	....	17⅞	16⅞	16⅞	18	932	24½	16⅞
Do. pref. (new)	7	10.07	70¾	66	66½	71	2946	79¾	62
Bldg. Prod. pref.	7	8.28	84⅞	84⅞	84⅞	87	10	87	84⅞
Brant. Cord. pf. (par $25)	8	7.84	25½	25	25	25½	327	27½	25
Burt, F. N. com.	12	5.26	56	55	55	56	102	67½	50
Can. Cement, com.	6	5.68	106	105½	106	105	135	111½	98
Do. pref.	7	6.23	115	112¼	113½	115	126	120	182¼
Cons. Rubber, pref.	7	8.00	..	...	...	...	...	87½	86½
Can. Indust. Alc. (no par)	1.28	6.73	19¼	19	19	19	2479	20	16¼
Crow's Nest Coal	6	9.37	65	65	65	64	70	85	51
Dom. Glass, com.	7	7.69	93	91	91	93	142	105	85
Do. pref.	7	6.60	..	...	...	...	...	111	105½
East. Theatres, c. (par $25)	.	....	..	...	...	...	...	25½	18¾
Do. pref.	7	7.77	90	90	90	86½	5	90	83
Famous Players, com.	.	....	16	15½	15½	11½	60	18½	11
Do. pref.	8	8.79	91	88	90	91	56	94¼	88
Gilman, com.	6	4.80	125	125	125	126	5	126	104½
Do. pref.	7	5.44	128½	128	128	125	80	128½	113½
Goodyear Tire, pref.	7	7.25	96½	96	96½	96	15	97	85
Holt Renfrew, pref.	7	8.14	..	...	...	...	...	90	85½
King Ed. Hotel	.	....	..	...	...	...	...	41	25
Kelvinator com. (no par)	.	....	17	17	17	16	20	20¼	15
Do. pref.	7	7.69	91¾	91	91½	91½	25	93⅞	90
Lyall Construction	.	....	40½	40	40	44	125	48	20
Nat. Brew. com. (par $25)	4	6.29	64¼	63	63	64	1676	69	56
Do. pref.	7	6.54	..	...	...	...	...	110	106
Nat. Brick, com.	.	....	9	8	8	8	45	12½	8
Do. pref.	7	11.47	63	61	61	62	110	72	60
Pacific Burt, com.	6	6.41	94	94	94	95	5	110	90
Do. pref.	7	6.69	..	...	...	...	...	110	102
Port Hope Sanitary, c.	3	3.40	88	88	88	87½	4	88	74½
Do. pref.	7	6.86	102	102	102	101¼	30	105	99
Rogers, Wm., com.	.	....	..	...	...	...	...	67	45
Do. pref.	7	7.36	95	92	92½	93	39	97	90
Sherwin-Williams, com.	6	4.51	136½	133	136½	131	170	137	125
Do. pref.	7	6.08	115	115	115	116⅞	21	115	110½
Sterling Coal	4	10.12	..	...	...	...	...	43	37
Standard Chem. pref.	.	....	..	...	...	...	...	9	9
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	..	...	...	...	...	60	55
Tuckett Tobacco, com.	4	6.45	..	...	...	...	...	65	61¾
Do. pref.	7	6.66	105	105	105	104	5	105	100
Woods Mfg. com.	.	....	47	47	47	47	25	48	38
Do. pref.	7	8.06	..	...	...	...	...	90	77¾
THE CURB MARKET									
Andes Pete.	.	....	..	...	...	...	...	6⅝	6⅝
Brit. Amer. Oil (par $25)	10	4.71	54	52½	53	53	1315	54	47
Can. Oil com.	1¼	....	73½	73½	73½	72	10	75	65
Do. pref.	8	7.30	109½	108	109½	108	20	109½	100
Continental Oil	25c	1.25	21	21	21	20	15	26	20
Dryden Power (no par)		....	8¾	8½	8¾	8½	115	11	5½
East. Engineering	.	....	..	...	...	...	...	2½	1
Good & Worts	6	2.35	257	254	257	255	148	257	193
Imperial Oil	1.00	2.77	36	33	36	35¼	1373	38½	32½
Inter. Petroleum	75c.	2.14	34¼	33¼	33¾	33¼	670	35	29¼
Manitoba Power	.	....	43	41	41	41	214	43	24
Newsprint Corp.	.	....	..	...	...	...	...	27	18
N. Star Oil, com. (par $5)	.	....	..	...	...	...	...	1.25	.75
Do. pref.	7	....	4.80	4.80	4.80	4.85	130	4.90	4.05
Simpsons, pref.	6	6.00	..	...	...	...	...	102	99
St. Maur. Valley	.	....	..	...	...	...	...	53½	40
Toronto R. S.	.	....	1.55	1.55	1.55	1.55	3.00	1.60	1.10
Volcania Oil (par $25)	62c.	....	27	27	27	27	129	29	26
Attendu Engine	.	....	34	30	31	35	1186	43¼	7
Beacon Oil	.	....	18¼	18	18¼	18¼	250	19½	14¼
Belding, pref.	7	....	..	...	...	...	...	101	75
Can. Nor. Pr. com.	.	....	30	30	30	30	5	30	28
Cockshutt pref.	.	....	67½	63⅛	67½	60	370	67½	57¼
Dom. Eng.	.	....	..	...	...	...	...	85	65
Eng. Elec. com. (no par)	.	....	..	...	...	...	...	24½	15
Do. pref.	.	....	..	...	...	...	...	72	59½
No. Mex. Pr. com.	.	....	..	...	...	...	...	55	40
Illinois Power, pref.	7	7.10	..	...	...	...	...	99½	96
N. S. Car, com.	.	....	12½	12	12½	12	55	12½	7½
Paton Mfg. com.	.	....	52	52	52	50	25	55	50
Do. pref.	.	....	..	...	...	...	...	98	75
Page Hersey com. (new)	.	....	48⅞	48¼	48⅞	48¼	40	49	43
Do. pref. (new)	.	....	104	103	103	103½	121	104	100½
Power Corp. (no par)	.	....	23	22	22	23	21	28¼	22
Pressed Metals	.	....	..	...	...	...	...	40	30
St. Law. Pr. (no par)	.	....	37	37	37	35	52	46½	35
St. Maur. Pr.	.	....	75	75	75	78	4	82	74
St. Maur. Vall.	.	....	..	...	...	...	...	35½	35½
N. Mex. Pr. pref.	.	...	85	84½	84½	85	12	85	84½
Un. Sec. com.	.	....	..	...	...	...	...	65	50
Do. pref.	6	5.88	102	102	102	103	15	105	102

New Issue

$1,500,000

Cosmos Imperial Mills, Limited

(Dominion Charter)

7% Sinking Fund Cumulative Preference Stock

(Par Value, $100 per Share)

The Sinking Fund Cumulative Preference Stock is to be fully paid and non-assessable; preferred as to dividends and assets; entitled to cumulative preferential cash dividends at the rate of 7% per annum, payable quarterly by cheque at par at any branch in Canada (Yukon Territory excepted) of the Company's bankers (Bank of Nova Scotia), and callable in whole or in part at 105 and accrued dividend per share on 60 days' prior notice at the option of the Company, or by purchase. Provision has been made for an annual sinking fund of 10% of the earnings available after payment of preference dividends.

Dividends payable quarterly 15th of November, February, May and August.

Transfer Agent: The Royal Trust Company, Toronto. *Registrar: The Bankers Trust Company, Toronto*

CAPITALIZATION

	Authorized	To Be Outstanding
First Mortgage 6½% Sinking Fund Gold Bonds (to be assumed)	$ 980,000	$ 980,000
7% Sinking Fund Cumulative Preference Stock (this issue)	1,500,000	1,500,000
Common Shares, without nominal or par value	50,000 shares	50,000 shares

Summary of information supplied by Mr. W. S. Burrill, Vice-President and General Manager (to be elected):

1. **BUSINESS.**—Cosmos Imperial Mills, Limited (new company), will own and operate two modern heavy cotton duck manufacturing plants, which, until their consolidation in 1924 under the name of Cosmos Imperial Mills, Limited (old company), were known as Imperial Cotton Company, Limited, Hamilton, Ont. (established in 1900), and Cosmos Cotton Company, Limited, Yarmouth, N.S. (established in 1883 as the Yarmouth Duck and Yarn Company, Limited). The New Company will continue to manufacture the heavier grades of cotton duck used for vessel sails, mechanical belting and hose, railway car roofing, binder canvasses, tarpaulins, tents, awnings, filters and cotton paper dryers. The output is sold mainly to manufacturers, cutters-up, railways, implement and paper makers. The equipment consists of 39,611 spindles and 243 looms.

2. **ASSETS.**—(To be acquired from the old company, subject to the above-mentioned bonds, which are to be assumed.)

Fixed Assets, including real estate, machinery and equipment (Appraised by Lockwood, Greene & Co., on basis of replacement cost less accrued depreciation at $2,481,000.00.)	$2,300,000.00
Net Current Assets, after making provision for all current liabilities	1,104,882.64
Total Net Assets	$3,404,882.64
or, after making provision for first mortgage gold bonds	2,424,882.64

Which is $161 for each share of Preference Stock.

3. **EARNINGS**—Based on Messrs. Price, Waterhouse & Co.'s Certificate—

After providing for bond interest, depreciation and Government taxes:

10½-year average, from January 1st, 1916 .... $246,257.00
(2.34 times preference dividend requirement)

Year ending December 31st, 1925 .... 291,428.28
(2.77 times preference dividend requirement and at the rate of $3.72 per share on the common stock)

Six months ending June 30th, 1926, $155,261.89.

4. **MANAGEMENT.**—Mr. S. Harold Greene will continue as President, and the active management will be in the hands of Mr. Walter S. Burrill, Vice-President and General Manager, who has been in charge of the business for a long term of years, and his present associates.

We have purchased, and now offer the above shares, when, as and if issued and received by us, subject to the approval of all legal details by Messrs. Blake, Lash, Anglin & Cassels.

PRICE: $100 (par) Per Share

with bonus of one-half share of No Par Value Common Stock

Fractional Shares of Common Stock will be adjusted at $20 per share.

Application will be made in due course to list the preference and common stocks on the Toronto Stock Exchange.

Interim Certificates are expected to be ready for delivery on or about August 30th.
Dividends on the preference stock accrue from August 15th.

Orders may be telephoned or telegraphed to any of our offices at our expense.

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.

A. E. AMES & CO.
LIMITED
53 KING STREET WEST
TORONTO
MONTREAL VICTORIA, B.C. VANCOUVER NEW YORK LONDON, ENG

THE STATEMENTS CONTAINED HEREIN ARE BASED UPON INFORMATION WHICH WE BELIEVE TO BE RELIABLE, ALTHOUGH WE CANNOT GUARANTEE THEIR ACCURACY.

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

Quebec Pulp and Paper Mills
Limited

Executive Office:
CHICOUTIMI, P.Q.

Cable Address:
"SAGUENAY, CHICOUTIMI"

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

PORT ALFRED PULP & PAPER CORPORATION

Newsprint and Sulphite Pulp

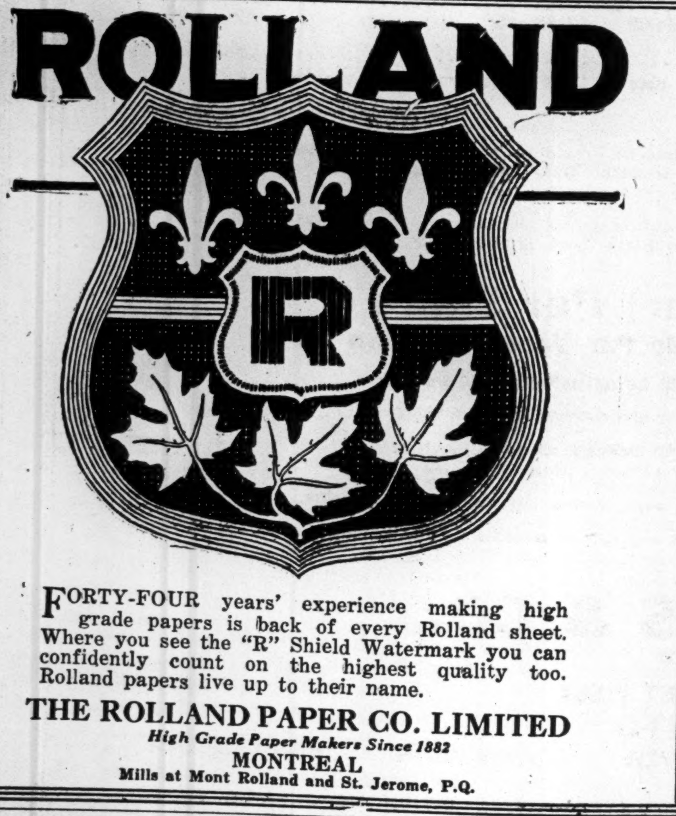
HEAD OFFICE:
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

St. Maurice Valley Corporation

Successors to
Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.
St. Maurice Paper Company, Limited Three Rivers, P.Q.
Yearly Output—195,000 Tons Newsprint

Head Office:
MONTREAL-QUEBEC



ROLLAND

FORTY-FOUR years' experience making high grade papers is back of every Rolland sheet. Where you see the "R" Shield Watermark you can confidently count on the highest quality too. Rolland papers live up to their name.

THE ROLLAND PAPER CO. LIMITED
High Grade Paper Makers Since 1882
MONTREAL
Mills at Mont Rolland and St. Jerome, P.Q.

CANADA PERMANENT IN QUEBEC

Canada Permanent Mortgage Corporation, one of the oldest and largest mortgage loan companies in the Dominion, has entered the Quebec field and has opened an office in Montreal. The local representative is Donald M. Rowat, notary. The company was established in 1855, and has heretofore been doing business in all the other provinces of the Dominion.

Pulp and Paper

PAPER STOCKS ARE UNDER INFLUENCE OF U.S. BUSINESS

Export Market the Big Factor in Relation to New Production

The recently revised interest in and strength of the Canadian paper stocks, while marked by new high prices in some cases, has generally been in the nature of a recovery following the reaction which came with the break in the American stock markets during the spring. There have been reports of mergers, new plans for financing, etc., in connection with the new buying of the paper shares, but generally the renewed confidence would seem to be a reflection of the improved prospects for export to the United States markets, providing an effective antidote for the talk of serious consequences of over-production following the bringing into operation of new mills during the remaining months of the present year. As has been previously pointed out on this page, these new plants will add about 1,150 tons to the daily output by the first of 1927.

To a very large degree the expansion of the Canadian newsprint and other paper mills has been encouraged by the ever-increasing consumption of paper and paper products in the United States. There have been recurrent reports of the dangers of over-production in the past, but demand has always expanded, and increased output has been quickly absorbed. When, during the spring months of the present year the slump in the Wall Street stock market indicated a coming depression in American business, and this at a time when the programs of the Canadian mills called for important expansion of output, there developed pessimistic talk of over-production, and this was reflected by the price of the paper shares. However, developments have shown that the recession in business in the States was a light and temporary affair, having little effect on general prosperity throughout the country and followed by a renewal of confidence which has already been marked by the raising of the Wall Street market averages to new high levels.

With the return of confidence first and now renewed optimism as regards American business, the fear of lack of markets to take care of the enlarged production of the Canadian paper mills has been very largely dissipated and the attitude of investors is reflecting this. However, opinions amongst American business leaders are not unanimous as to the prospects for business as a whole, maintaining its present level indefinitely, and this should not be overlooked by those who are buying Canadian paper stocks at their present levels. A recession in business in the United States or even a reaction in the Wall Street market would, no doubt, be reflected in the Canadian stock markets, and particularly in the paper shares. But as to the ultimate market for the output of the Canadian mills and ultimate profits for the well-conceived and well-managed Canadian mills, there need be no two options. Canadian investors need only judge of the calibre of the men now at the head of the industry to decide that its foundations are sound.

Following are comparative figures showing the market records of the various listed paper stocks since the first of 1925:

	High	Low	Present	High	Low
Abitibi, com.	85½	70¼	81½	76¼	62
Do., pref.	116	106¾	109	110	101
Belgo-Can. pref.	101	95¾	99¼	99½	95
Brompton	35¼	26	32	33¼	19½
Laurentide	93½	81½	89¼	91	73
Price Bros. com.	74½	57	70	59	35⅞
Do. pref.	100	95	100	96½	95
Prov. Pap. com.	104½	100	104½	111¾	92½
Do. pref.	104½	100	104½	103½	95
Smith, H.. com.	54½	38	50	47	21¼
Do. pref.	101	92¾	98	106	69½
Span. R., com.	103	96½	103	111¾	92½
Do. pref.	119	108	113	127	110½
Wayagamack	83	56	74	75	34½

Abitibi's Advance Said to be Due to New York Buying

MONTREAL.—Abitibi has been the leader in the recent revival of interest in paper securities. New York is said to be playing quite an important part in this move, and it is noted that some Wall Street market services are quite bullish on the stock.

There has been nothing tangible to account for the strength in Abitibi, and the Spanish-Abitibi merger talk has not been revived on this occasion, Spanish River having improved its price position only to a relatively minor extent.

Opinion in well-informed quarters is that Abitibi could readily increase the dividend now, but that this action will not come before the first of next year.

Abitibi has paid a dividend this month. The next distribution comes in October and the directors will meet for action on that dividend late in September.

Another Paper Mill is Planned for Maritimes

NEW GLASGOW.—The possibility that a large American paper company may establish a branch plant in Pictou County in the near future is arousing optimism in business circles. It has been known for some time that the Scott Tissue Paper Company, of Chester, Pennsylvania, had been looking over the situation in eastern Nova Scotia, especially Pictou, Antigonish, and Guysboro Counties, as a possible location for the establishment of a branch of their enterprise, and it is understood that the officials have been considerably impressed by the assurance of securing adequate supplies of the required wood.

Two representatives of the firm, E. S. Wagner and H. E. Libbuck, of Chester, Pennsylvania, interviewed members of the Pictou County Power Board, with a view of securing information in regard to the cost of hydro-electric power. In company with L. D. Payzant, of the Bank of Nova Scotia; John Preston, engineer of the Power Board, and Don F. Fraser, president of the New Glasgow Board of Trade, these representatives visited the section with a view of securing a suitable plant site.

Some time ago, Walter McNeil, who is largely interested in lumber operations throughout Nova Scotia, and Colonel Thomas Cantley were interested in this project, and it is understood had considerable correspondence with the officials of the company.

Brompton's Plans for New Financing Developing

MONTREAL. — Interesting developments are taking place in connection with new financing of Brompton Pulp and Paper Company, to take care of the new machine that is being installed at Bromptonville to manufacture into newsprint the output of the groundwood pulp mill now in operation there. It is understood that a bond issue will shortly be offered to the public and that in connection with this the 8 per cent. bond issue now outstanding, and possibly one or two more, will be retired.

The last report of the company places the amount of 8's outstanding on December 31, 1925, at $1,554,700, but it is believed that recently the company itself has been buying back these bonds and that a much smaller quantity would remain to be retired.

GERMANS LATEST VICTIMS OF FORD OF CANADA UNITS

Pedlars Evidently Working Round World — England Was Last

Ford of Canada units, "peddled" first in U. S., then in Canada, then heavily in England, have recently been poured into Germany. Losses will be heavy.

The sale of Ford of Canada units started when the shares sold up to $500 a share. A movement was started in New York to split these shares and thousands of circulars were sent out offering Ford of Canada units at $6.50 per unit. A share was split 100 ways which meant that those who purchased the units were paying for Ford stock on a $650 basis.

Better Business Bureaus and the courts of the U. S. quickly halted the movement in the U. S. and then attention was turned to Canada. The Financial Post was flooded with inquiries, receiving as many as five in a day. Publicity and a statement by the head of Ford of Canada spoiled the sale of units in Canada, though many are said to have made purchases. Two circulars sent to Canada and retained by The Post were offerings by Greenshields, Wills & Co., New York, and Hoshor, Montanye & Co., New York and London. The latter firm is said to have done a thriving business in England. Now it is Germany, but evidently others have learned the trick as the following report indicates that the sellers were not New Yorkers:

"Berlin's 'Black Boerse' is flooded with coupons which the sellers claim are clipped from stocks of the Canadian Ford Co., and which would have sold for more than double their value even should they have proved genuine.

"Distribution is being carried out by several Galicians, who recently came to Berlin and distributed two million handbills announcing that Henry Ford was about to make a gift to the German people by allowing them to participate in his automobile industry.

"The swindlers approached people about to enter banks with their savings and evidently did a lucrative business. When the purchasers applied to the Berlin Ford agency for cash for the coupons the activities of the Black Boerse operators became known, and the matter was brought to the attention of the prosecutor."

Canada Dry Increases Capacity 300,000 Bottles

NEW YORK.—Canada Dry Ginger Ale, Inc., has placed in operation its new plant at Maywood, a suburb of Chicago. This is the fourth unit in the company's chain, and doubles the company's American output. The company has another American plant at Hudson, N. Y., and also has plants at Toronto and Edmonton, Canada. According to President P. D. Saylor, who has just returned from Chicago, where he attended the opening of the new unit, the Chicago plant is the most efficient yet constructed by Canada Dry. Its operation, he said, would mean the elimination of a night shift at the Hudson plant and the saving of substantial costs due to the elimination of long haul shipments until now consigned to the West from the Hudson unit. It will also serve, he said, to enlarge the company's market.

Present productive capacity of the plant is 4,000 cases of 50 bottles each per diem, or 200,000 bottles. This figure can be increased in two weeks to 6,000 cases, or 300,000 bottles, daily which is the ultimate capacity. Cost of the plant was $646,000 paid for entirely out of earnings.

R. J. Christie Estate is Very Largely in Stocks

National Trust Company, Charles E. Edmonds and George Edwards, the executors and trustees named in the will, have filed application for probate of the estate of the late Robert Jaffray Christie, formerly president of Christie, Brown & Co., who died June 13, 1926. The estate is valued at $1,726,199.97 and consists of: cash, $38,848; stocks, $1,450,360; bonds, $6,521; real estate, $105,000; life insurance, $109,892; miscellaneous, $15,577; total $1,726,199.

GOODERHAM SPLIT APPROVED

Gooderham & Worts shareholders, called to confirm the proposed split of the shares in the ratio of 10 non-par shares for each one of $100 par outstanding, gave unanimous approval to the by-law. Instead of having an authorized capitalization of $2,000,000 divided into shares of $100 par there will now be 200,000 shares of no par value. The company has cleared off its mortgage and there is now nothing ahead of the common stock.

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L. C. Carrick, Cape Town, South Africa.
Hugh Scott-Young, Melbourne, Australia.
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TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

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Iron and Steel

PRESSED METALS CANADA AND U.S. TO AMALGAMATE

Meeting of Canadian Shareholders Called to Consider Proposal

Shareholders of the Pressed Metals Company of Canada have been called to meet on September 3rd to consider an amalgamation with Pressed Metals of America. The Canadian company was incorporated in 1917 to engage in the manufacture of tubes and tubular articles made by special process. During the war there was a big demand for the company's products in connection with the manufacture of munitions and the shares gave a spectacular performance. Since the war the company's production has been diverted to the automobile industry. The company is at present a holding concern for the preferred and common shares of the American Bushings Corporation which towards the end of 1924 took over practically all equipment. Pressed Metals owns all the capital stock of American Bushings, the plant of which is situated at Marysville, Mich.

The company's operating profits for 1925 amounted to $64,795, and, after providing $45,203 for reserve, depreciation, and $2,371 for adjustment of metals carried from 1924, there were net profits of $17,220, compared with a loss of $124,492 for the previous year. During 1925 the position of the company was greatly improved, all outstanding interest indebtedness including bank loans, mortgages and debentures being retired, thus eliminating heavy interest charges.

In a letter to the shareholders President J. W. Leighton submits reasons for the proposed action.

"Inasmuch as the field of operation in Canada has to date been too restricted to allow adequate scope for the activities of the company; and as its operations are carried on exclusively in the United States through the medium of the American Bushings Corporation; the present corporate plan is not considered a satisfactory arrangements for numerous reasons, in addition to the desire to compensate the preferred shareholders in reference to back dividends accumulated on the preferred shares, among which are the following:

1. Subjection of the stock to estate—Inheritance and Succession taxes in both countries.
2. Increasing the administration expenses, by requiring the keeping of two separate organizations and the payment of privilege fees in the separate jurisdictions.
3. The determination of the market value of the stock requiring the audit and investigation of the affairs of two corporate bodies.
4. An income tax is required to be paid to each country.
5. A tax is collected on royalties paid to foreign corporations by the United States government.

"It is proposed to overcome these conditions and simplify the corporate financial structure by consolidating its activities under one charter, which can best be accomplished by the Pressed Metals Co. of Canada, exchanging with its shareholders one share of the common stock (par value $100) of the American company for one share (par value $100) of the common stock of the Canadian company now held;

"And the exchange of one and one-half (1½) shares of the preferred stock (par value $100) of the American company for one (1) share of the preferred stock (par value $100) of the Canadian company;

"The additional one-half share being in lieu of the accumulated dividends on the Canadian company's preferred stock and in consideration of the fact that the preferred stock of the American company bears a rate of 7 per cent., while the rate on the Canadian stock is 8 per cent.

"The American company will have an authorized capital of $500,000 7 per cent. cumulative, preferred, redeemable at 105 and convertible share for share at any time into the common prior to July 1, 1935, of which amount $319,500 par value will be outstanding. The company will also have a common share capital of 75,000 shares of $100 each, of which 22,131 shares will be outstanding, this being the same number as now outstanding in the Canadian company.

"The present business and financial standing of the American company is such as to reasonably assure its stockholders of a continuance of regular payment of dividends on its preference shares, and as there is no change in the assets, the condition of the common shareholder is bettered by the savings effected and in having all back dividends paid on the preferred stock.

"It is the intention of the directors to apply for listing both the preferred and common stock on the Toronto and Detroit stock exchanges.

"Your directors, and several large shareholders that are not directors, support the proposed changes which are, in their estimation, in the interests of the shareholders of the company generally, and they recommend it for your acceptance."

Cockshutt Plow's Business May be Overestimated

What is said elsewhere in this issue about the danger of over optimism in regard to the business of the Canadian farm implement companies may be applied to the Cockshutt Plow Co., in relation to reports which have recently been heard on the street with regard to the company's profits for the current year. These reports have indicated that this year's report will have some surprises for the shareholders. Statements from reliable sources indicate that it is yet soon to translate the improvement in the farm implement business into terms of profit. Business is much better, particularly in Western Canada, but it must be remembered that in recent years the implement business had fallen to a state far below normal. Then the exchange situation in France is affecting exports to that country while business in South America is not as satisfactory as it was last year.

COAL AREA DISPUTE SETTLED AT SYDNEY

Long Standing Dispute Between Scotia and Dominion Companies Said to be Ended

NEW GLASGOW.—It is impossible to obtain any definite information here as to whether or not the overdue interest on the bonds and debentures of the Nova Scotia Steel and Coal Company is likely to be paid before the first of October when, if not paid, it is understood default will occur, and the appointment of a receiver take place.

In Pictou County, where many of these securities are held, the hope is entertained that the interest will be paid. At the same time these bond and debenture owners, as well as the people of the county, generally, are particularly hopeful that the business may be reorganized effectively and placed on a basis that will ensure more rigorous and effective operation of the industry.

Anticipating the possible reorganization of the business, through a receivership, it is understood in well informed circles, that a settlement has been made respecting the exchange of coal areas in Sydney harbor, which for years has been the cause and subject of friction and disagreement between the Nova Scotia Steel and Coal Company and the Dominion Coal Company, or its associated companies. It is reported that the boards of directors have had the whole matter carefully investigated and reported upon, and have since arrived at a basis of exchange.

Medicine Hat Plants Are Bought by American Interests

MEDICINE HAT.—The local plant of the Canadian Western Steel corporation, which has been idle for some years, has been purchased by the United States Horseshoe Manufacturing Co., of Erie, Pa. The latter is also negotiating for the purchase of Redcliffe Rolling Mills, the equipment of which would be moved to Medicine Hat to enlarge the local plant for iron-rolling process.

Kelvinator Preferred is Becoming More Attractive

Reports from the leading companies manufacturing artificial ice equipment in the United States indicate that this business is expanding in a remarkable way. This fact holds interest for Canadian investors in the preferred shares of the Kelvinator Co. of Canada, the dividends on which are a first charge against the Kelvinator Co. of the United States. Also it is felt that the Canadian company will likewise enjoy increased business in its own field, which, adds to the attractiveness of the company's common shares from the speculative standpoint.

BESCO GETTING COAL TRADE

MONTREAL.—It is estimated that shipments up the St. Lawrence by the British Empire Steel Corporation this year will approach two and one-half million tons, which would constitute a record. The administration's perseverance in trying to recapture the St. Lawrence coal trade has borne fruit, and there still remain tremendous possibilities which will stand the corporation in good stead.

ENGLISH ELECTRIC IS MAKING PROGRESS

Better Business Than Indicated by the Annual Report Showing Smaller Profits

Although profits of the English Electric Co. for 1925 at $64,004 were substantially smaller than the $95,092 reported for the previous year, the news at the annual meeting held last week was generally favorable to the shareholders. It was reported that there was a distinct improvement in business during the latter months of the year, which would make itself felt in substantially larger profits in the report for the current year.

Profit and Loss

	1925	1924
Profits for year	$ 64,004	$ 95,092
Depreciation	40,000	40,000
Net profits	$ 24,004	$ 55,092
Prev. balance	319,844	264,752
	$343,848	$319,844
Pref. dividend	50,000	......
Surplus	$293,848	$319,844

In his report to shareholders, R. A. Stinson, the president, stated that it would appear from recent indications that the electrical industry of the country in general has at least taken a definite turn for the better. The company is at present engaged on contracts embracing a wide range of activities, such as electrical locomotives, mining and power plant equipment and important installations of standard motor equipment for pulp and paper mills now in course of construction. Having regard to the business on hand and in prospect, Mr. Stinson stated that he considered the outlook for the company distinctly encouraging for the immediate future.

The general statement of assets and liabilities for the year ending December 31, shows improvement in the financial position of the company. Current assets amount to $619,159 as compared with $691,989, in the previous year against current liabilities of $94,383 down from $158,658. Included in current assets are raw materials, work in progress and finished stock $204,621; accounts receivable $239,810 and cash $174,727. Current liabilities are composed entirely of accounts payable of $94,383. The company has a reserve for depreciation of $419,304 and a contingent reserve of $20,000.

The election of the board of directors included the appointment of P. A. Thomson, of Montreal, member of the firm of Nesbitt, Thomson & Co., Ltd. This appointment follows on the acquisition of a large block of securities of the company by a Montreal group. The full board of directors elected was as follows: R. A. Stinson, D. H. McDougall, T. H. Watson, H. Smith, G. F. Perry; Lord Meston, K.C.S.I.; Lt.-Col. Sir John H. Mansell, K.B.E., D.L.; P. J. Pybus, C.B.E.; Col. N. G. Perry, D.S.O.; Hon. F. H. Phippen; P. A. Thomson.

ALGOMA TO MAKE DOMESTIC COKE

SAULT STE. MARIE.—With the intention of entering the manufacture of domestic coke upon a permanent basis, the Algoma Steel Corp. has let contract for a new screening plant to Heyl and Patterson Pittsburg, at a cost of $250,000. New plant will be ready for operation about the middle of November. It was Heyl and Patterson who installed all the coke-handling machinery when the ovens were originally built by Algoma Steel.

The installation of the new plant will permit the company to enter the domestic coke market with all the grades that it demands.

OUTLOOK BETTER FOR SHAREHOLDERS DURANT OF CANADA

(Continued from page 1)

be worth about $2, $2.50 and $3.00 on $6.00 basis for the Delaware.

Durant Motors, Inc., has affiliated with it Durant Motors of Michigan, Durant Motors of New York, Flint Motors, Hayes-Hunt Corp., Durant Motors of California, Durant Motors of Canada, and Durant Motors of London, England, while it owns outright Durant Motors of New Jersey, American Plate Glass Co., New Process Gear Co., Motor Parts Corp., Carner Corp., Locomobile Co. of America, Adams Axle Co., & Durant Motors of Indiana.

Of the companies it is affiliated with, Hayes-Hunt Corp. and Durant of California showed a profit while the others either showed losses or were not operating, while of the companies it owns all showed profits except Flint Motors and Durant Motors of Indiana, which was not operating.

The prospects thus for dividends on the Delaware stock are quite remote. The past and present operating deficits will have to be wiped off before a dividend can be contemplated. Furthermore, most of the subsidiary companies have arrangements whereby the shareholders of these subsidiaries are preferred as to dividends before the parent company will be permitted to come for participation.

The one big advantage the shares of the Delaware have over the Canadian is that they are more marketable and are likely to share in the up and down swings of the market. Durant of Delaware is traded on in the curb. It must be remembered, however, that the tendency in the automobile world is toward the elimination of the number of types of competing models, and that the automobile is going into bigger and more powerful hands. The condition is very noticeable in the U.S. where there have been repeated rumors that the Durant Co. Inc., will be absorbed. The effect this will have on the Canadian company is unknown. Come what may, it seems inevitable competition in the automobile world will be keener.

Those shareholders of the Canadian Durant who have not converted their shares into that of the Delaware have probably chosen the wisest courses, especialy in view of the fact that if Durant of Canada were liquidated through conversion, only a small sum would be available.

Capital: $1,000,000
Reserve: 350,000

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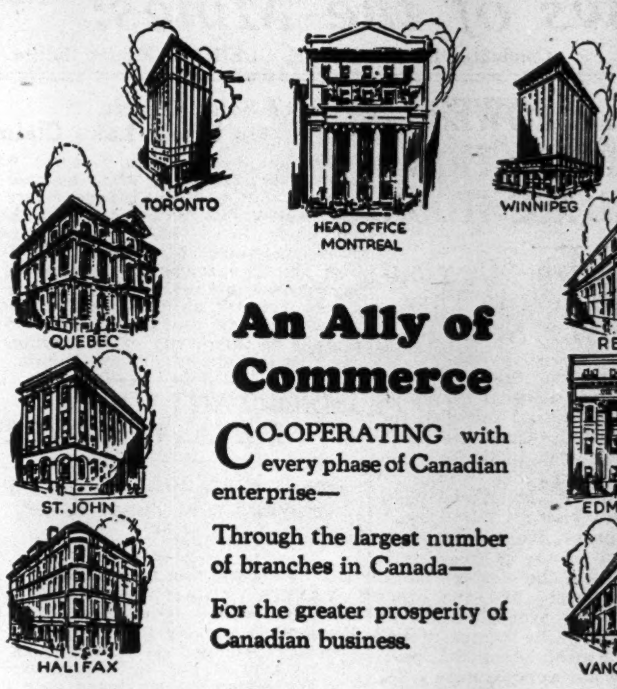

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What will your car be worth *then*?
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Important questions, these—but they create no worry, no uncertainty for the owner of a Dodge Brothers Motor Car.

90 per cent of the 1,600,000 Dodge Brothers Motor Cars still in service—

Owners enjoying six, eight and even ten years of faithful performance! Mileage running into six figures a common occurrence—

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MADE IN CANADA

News of the Mines: *A Department for Executives and Investors*

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

FIRST MILL, POWER, TRANSPORTATION IN CEN. MANITOBA

Three Important Developments Are Near in This Promising Area

Equipment for the first 300 tons unit of the mill of Central Manitoba Mines will be purchased this fall for delivery in time to go into the property over the winter trail. This information was given to The Financial Post by officials of the Wad Syndicate, on a recent visit to Winnipeg.

Two new shafts are to be sunk, one to the west of the present shaft and 1¾ miles from the western boundary of the property and the other to the east of the present shaft on the Hope group. The company has been steadily consolidating its position and to-day has approximately 3¼ miles of the break with the exception of one claim. This latter they have negotiated for but each time that a deal was about concluded the price was raised.

H. A. Wentworth, head of the syndicate which made the deal with John Taylor and Sons, London, through Arthur Miles, Toronto, Canadian representative and head of Anglo-Canadian Explorers, just concluded a visit to the property. He says that transportation facilities are greatly improved and will be much more so when the Government completes the road work which it has announced will be carried out, and considerable of which has been started.

C.P.R. Surveying Line

The C.P.R. has a survey party busy in the district and there is considerable optimism among the mining men in regard to the transportation outlook. The C.P.R. already has finished survey to the Manitoba boundary from Winnipeg and the branch to Long and Bull Dog Lake sections will run north-west from this, while the survey from the boundary is being continued on into Red Lake, which should be reached in two months.

Central Manitoba Mines has 50 men at work and the principal underground effort at present is on the 375 ft. level.

The outlook for power is excellent. All that will be necessary will be the erection of power lines and it is anticipated that power will be delivered at the mines at a rate below that of Northern Ontario. There is ample developed power available.

Both the Cryderman and Eldorado properties in the camp are looking excellent and work is being pushed on them.

Smelters 18 Times Ruling Price of Five Years Ago

Consolidated Smelters shares are up again to $225, or 9 times par, or 18 times the price the shares sold for in 1921. The increase in the market has resulted in the material increase in the company's production which in the intervening 5 years jumped from six to twenty-seven millions. The present market is discounting good news which has been expected for some considerable time and part of which has been realized in the shape of bonuses. A stock split, many say, is in the offing.

Outlook for Smelters' earnings are much better this year. Production is materially higher and though base metal prices have been somewhat soft they are showing a tendency to harden. This is especially true of lead, which is up to 8.90 cents per lb. or a rise of $3 per ton in a week.

MINING STOCK QUOTATIONS
WEEK ENDING AUGUST 3

	High for wk.	Low for wk.	Close Aug. 3	Close July 27	Sales for wk.
Amulet	1.44	1.30	1.37	1.30	78354
Apex	3½	3	3	3	6500
Algonquin	4½	3⅞	4	4½	30500
Area	33¾	25¾	33¾	27¾	90150
Argo. Cons.	21¼	20	20	20½	51350
Atlas	3½	3	3½	3	5000
Baldwin	3½	3⅛	3¼	3	35000
Barry Holl.	53	50	50½	51	44525
Beaver	78	75	75	78	20350
Bidgood	5	5	5	5	125
Bourlam'que	10.05	10.02	10.03	10.15	9950
Chaput H.	8	7	7	8	5500
Buckingham	3⅛	3	3	3	1000
Can. Lorrain	89	85	86	90	8400
Capitol	40	37	37¾	40	13900
Castle Tre.	1.55	1.51	1.51	1.53	18100
Clifton	3	3	3	2	11050
Coniagas	3.90	3.70	3.88	3.85	1100
Coniar'm.	3.75	3.25	3.35	3.30	365
Col. Kirkland	2⅞	2⅝	2⅝	2⅞	18500
Cons. Smelters	225	218½	225	219⅝	33875
Cons. W. Dome	17	15½	15¾	15½	96400
Crown Res.	10	8½	9	9¾	25725
Don Rouyn	34	31	31	24	43050
Dome Mines	11.70	10.30	11.60	10.25	10020
Dupuy	33¼	30	32½	35	9200
Everett	6½	6	6	6¼	9700
Gold Hill	69	64	66½	64	87045
Goldale	27½	27	27	27	12300
Gold Reef	1½	1½	1½	2½	2000
Hattie Pref.	½	½	½	½	10000
Hill Top	31	30	30½	30	27300
Hollinger	19.65	19.40	19.65	19.75	430
Kirk. Hunton	15	13½	13½	15	15600
Indian	5¼	4	5	5	7100
Int. Nic. com.	39	38	38	38⅜	850
Keeley	1.71	1.65	1.67	1.66	10725
Keora	21	20	20½	21¼	40250
Keora Porc.	10⅜	10	10	10	59250
Kirk. Lake	99½	92	93½	99½	52825
Lakeside	3	2⅞	2½	3	8500
Lake Shore	12.20	12.05	12.07	12.35	2665
La Rose	10¼	9⅞	9⅞	10½	6500
Laval	25	24	24	24¼	3775
Lorrain	4	3½	4	3¾	400
Lorrain, T. L.	50	50	50	50	900
McKinley	14	13¼	13½	12½	11300
McIntyre	25.61	25.00	25.25	25.70	2230
M. Rouyn	12	9½	12	9½	11200
Millcrest	10	10	10	9	2500
Mining Corp.	4.24	4.02	4.10	4.08	35635
Moneta	14¼	14	14¼	14	3000
Montreal, Ont.	3	2½	3	3	850
Newray	34	33	34	33	1200
Nipissing	5.45	5.40	5.40	5.45	825
Night Hawk	7½	7½	7½	8	300
Noranda	17.25	15.10	16.99	17.05	14541
Ophir	2	1⅝	2	1⅞	8000
Pete. Lake	5⅜	5	5⅛	5	28000
Porc. Crown	7	6½	6½	7¼	3500
Prem. Gold	2.18	2.12	2.15	2.15	2400
Preston	6½	5	6½	6½	8000
Rouyn	3¾	3¼	3¼	3	23000
Stadacona	43	42	43	42	39850
Teck Hughes	3.90	3.82	3.88	3.83	22250
Tough Oakes	39½	38	39	39	37200
Vickers	42	42	42	39	500
Vic. Silver	5	5	5	5	2000
Vipond Cons.	1.80	1.75	1.77	1.79	23775
Wasapika	1	1	1	2	2500
West Tree	2⅜	2¼	2½	2¼	6000
Wettlaufer	5½	5	5½	5¾	1225
Wright Har.	8.48	8.30	8.35	8.40	7925
Wigwam	8	8	8	15	2000

Vein of Solid Cobalt On Bloom Lake Claims

A vein of solid cobalt, 4 inches wide where encountered and which widened to 8 inches for a short distance before it disappeared into a muskeg, has been opened on Bloom Lake property, Gowganda, according to a report from William Shields, manager. The discovery is regarded as interesting and is in one of a new network of veins that has been opened up. In another of these veins, there is an interesting silver showing, he says but its extent is not yet known.

IMPORTANT BASE METAL DISCOVERY

Assays High in Lead, Zinc and Silver From Peace River, B. C.

From Our Own Correspondent.

VANCOUVER.—If the Pacific Great Eastern Railway is extended into the Peace River country it will open up an important mining field as well as an enormous area of rich agricultural land.

A big galena deposit, found near Fort Grahame, Peace River, is shot with lead, zinc and silver to such an extent that some who have made a partial examination believe it will develop into a large lead mine. Douglas Lay, provincial government engineer, reported on the property to James Ferguson, owner, and a syndicate was organized by C. W. Frank and C. A. MacKay in Victoria and a bond secured. The showings consist of four ledges of galena, having an average width of twelve feet, the ore from which samples at 12.2 ounces silver, 30 per cent. lead and 5 per cent. zinc.

Most of the material between the four ledges will be worth mining and milling. A contract will be let for the driving of a 200-foot tunnel.

R. R. Hedley and R. D. Featherstonehaugh, both well-known mining men, are now in the Peace River country looking over other prospects.

RESUME WORK AT PETERSON LAKE MINE

Will Put Plant in Shape Before Starting Underground Exploration

With considerable funds already advanced under the new financial arrangements, Peterson Cobalt Mines have already ordered the property reopened. Considerable time will be spent in pumping out the workings, getting in new equipment and machinery and revamping the surface plant generally, before actual exploratory work can be resumed. The plan is to run a drift on the 150-ft. level into the Little Nip area, close to the O'Brien. This will be in diabase, the formation in which O'Brien got such good results. It is also proposed to work later in No. 2 shaft where there is a vein opened for 90-ft. on one side of the shaft and which shows an average silver content of 20 ounces. There are rumors that a deal may be made to have 200,00 tons of slimes treated. These, which are in the bed of Peterson Lake, are said to average about 8 ounces to the ton.

Keora Resumes Work on Calcite Lake Property

Underground operations have been resumed at Keora's Gowganda property at Calcite Lake. Exploration is being pushed on two levels, 150 and 275 where the best results were obtained by the old company. It is not the intention to reopen the mill for the present, the plan being to get a considerable ore reserve ahead.

Horace Strong has been retained by the company as consulting engineer and he is going into the property this week to make an examination and will prepare a report and outline a program of work. While no official announcement has been made in regard to finances, it is stated that full financial arrangements have been made, but the nature of these, or who is providing the funds, is unknown.

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MANY IMPORTANT DISCOVERIES MADE AT WOMAN LAKE

Considerable Work Being Done on Various Properties; Red Lake Claims Lapse

E. S. Henley, mining engineer, who interested New Yorkers in the Woman Red Lake Syndicate, is back from a trip into that camp and states that he has taken an option on the Campbell group of five claims adjoining T. Duncan's important discovery on the east and already has a gang of men at work. It is understood that the Duncan group has been taken up by Home Smith, J. H. Black and T. H. Rea.

Mr. Henley is very optimistic regarding the Woman Lake country. He was accompanied on his trip by a New York engineer. They found considerable work going on. He makes the point that Woman Lake is in a better position than Red Lake inasmuch as the bulk of the staking in the latter was on snow while in Woman Lake the staking has been on real discoveries. W. Mogridge is doing work on the Woman Lake Centre and has opened up a dyke, 100 feet wide, running through the centre of the property. Excellent values are reported to have been encountered.

On Woman Red Lake several veins showing good values, have been opened up. There is a true porphyry dyke with a south-west, north-east trend with the north contact of quartz and schist and dipping into low ground so that its width is difficult to ascertain.

Looks Like Mine

Timmins interests are reported to be examining the Jackson-Manion. Mr. Henley thinks this property is ear-marked a mine. He says that the main fracture has been opened for 3,800 feet with width running three to twelve feet.

Mr. Livingston, representing Gerrard and Daly, New York, was in Woman Lake the same time as Mr. Henley.

In regard to Red Lake, Mr. Henley says that where work has been done some excellent results have been obtained. He says that the prospectors are in bad shape financially, with the result that they cannot perform their work and a great number of claims will likely lapse as a result on September 1. It is reported that many prospectors, in better shape financially, are already in the field to stake claims that are allowed to lapse. This experience has been common where rushes have taken place. In Quebec a great many claims were allowed to lapse and were restaked and restaked.

DRILLING AT BRANTFORD

Petrol Oil and Gas, drilling for oil on Indian Reserve at Brantford has reached Trenton sands. There is a light gas flow.

PREMIER PAID $8,740,625

Premier Mines, Portland Canal, B.C., has just paid its second 8 cent dividend of the year, bringing disbursements up to $8,740,625. The mine started production in 1921.

Don Rouyn Discoveries
Write for latest information
St. Lawrence Finance Corp.
14 Hospital Street Montreal

Northern Canada Power Getting Rouyn Business

MONTREAL.—It is reported that the Northern Canada Power Company has signed contracts with N. A. Timmins, Inc., for the supply of power to the properties controlled by Mr. Timmins in the Rouyn district, which include the Alderson-Mackay Mines, and the Walte-Montgomery.

As Northern Canada Power has also a contract with the Noranda Co., this gives it contracts with the three largest properties in that district. The transmission line into Rouyn is reported well under way, and poles are set for about half the distance. It is expected that this line will be completed and in operation in November.

PAYMASTER'S MILL CAPACITY TO JUMP

Will Increase to About 400 Tons This Month and Add 1,000 in Year

By the middle of this month Premier Paymaster mine at Porcupine will be treating 300 to 400 tons and in another year will have added 1,000 tons to this. The company has a most auspicious program mapped out. Certain experiments are now being made and then the expansion program will be pushed ahead. It is expected that the first move will be the driving of a new five compartment shaft, the plan being to raise up from the 300 and also 400-ft. levels. The latter will be the deepest level for the time being.

Plans for the Paymaster are to make it a large low grade proposition in which the question of costs will be dominant. It is the intention to do the crushing underground and the secondary crushing at the headframe and then convey the crushed ore to the mill by belt conveyors. No official estimate of what the ore will run or what costs will be have been given out, says General Manager Clement, but the expectation is said to be to get costs down around $2.00, or almost half the present low costs of the camp. The main ore body of the Paymaster is said to be very wide and extend for great length. Considerable high grade ore has also been encountered in the mine.

Stock Switchers Are Busy in B.C. Mines

Stock switchers are busy among holders of good mine shares on the Pacific Coast. One paper says: "As northern B.C., due to the fact that they will this year have a smelter, motor roads and electric power, is undoubtedly to experience a boom unprecedented in B.C. history, these 'highbinders' are devoting their time to the acquisition of good stocks, particularly the better issues. It stands to reason that they would not be interested in acquiring these stocks if they did not anticipate what we have outlined above, and, in any event, whether they sell at to-day's market, or hold for higher prices, they will gain and you will lose.

"To safeguard your interests, before entering into any agreement, ask the advice of the broker from whom you purchased your holdings, or communicate with us."

Pioneer Corp. Takes Up the Michael Property

Pioneer Mining Corporation, organized by Huronian Belt interests recently, has taken over the Michael Syndicate group near Lochalsh in the Goudreau country. It is stated that they have opened up a highly mineralized vein, which carries heavy showings of free gold, and is more than 30 feet wide. It has been stripped for over 300 feet, and is declared to have been traced several hundred feet further on to the next claims.

While negotiations have been under way, assay reports have not been made public, but are understood to have been highly satisfactory. This takes rank with the best of showings in the Lochalsh-Goudreau field, and with aggressive development under way by a company like Pioneer, big things are confidently expected from the property.

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News of the Mines

BULL MARKET TALK CAUSES SCARCITY IN SHARES OF MINES

As Result There Has Not Been the Usual Summer Bargains

The mining market shows considerable underlying strength. Stocks seem quite scarce. This is probably due to the expectation that there will be a good mining market in the fall and also explains the buying that has developed during the past few weeks. Little stock is being offered and this makes the usual summer bargain hunting a little more difficult. One mining engineer in discussing the market situation with the writer expressed the opinion that the market should be strong, as there is a lot of good news coming from the producing camps, while the new camps are expected to show up something on the summer's work.

Kirkland Lake stocks are not doing a great deal. The outlook is that there will not be a great deal of important news come out of the camp until the power problem is solved. The mining companies feel that they are being discriminated against, contending that the prices they are paying are exorbitant, and are showing a tendency to halt expansion programs meanwhile. It is believed that this is a factor in the delayed operation of Kirkland Gold's mill and we know that it is the reason why Teck Hughes has not announced its new mill plans. Kirkland Lake Gold development has continued very satisfactory and the mine is reported to be in excellent shape.

Hollinger continues strong but has not reached the $20 mark as yet. McIntyre seems pegged above $25, while Dome has shown a slight strengthening. Rumors are afloat about its Red Lake deal. There has been a consistent crop of these, the bulk being groundless. Coniagas is holding strong around $4.00, though it is noted that Goldale stays down in the bargain class.

Mining Corporation continues under accumulation. The stock is in a strong position and is well regarded in well-informed circles. Castle's upward movement has been halted. The outlook for Gowganda this year is excellent. There are many new companies entering the field. Tonapah's new mill, the third big one on the field, should soon be ready. Cobalt and Lorrain stocks have been fairly firm. Indications are that the South *Lorrain field* will see considerable *new work* done this year.

Important Shoots on Pioneer's Cooper Mine

Shareholders of Pioneer Mining Corporation were told by Dr. J. MacKintosh Bell, managing director, that:

"Developments at the Minto block of the Cooper Gold Mines, Ltd., continue to be very favorable. At Aug. 1 two shoots, 230 feet long, averaged $11.90 over 50 inches, and the second shoot, 75 feet long, averaged $9.80 over 85 inches, with the face in the second shoot still in ore. On the Arntfield claims, in Northwestern Quebec, a promising copper-bearing zone is being prospected with encouraging results.

"On the Gaspe claims a number of lead-zinc deposits have been discovered, with appreciable values in the two elements named. The outlook of the claims, which are being carefully prospected, is considered encouraging.

"Prospecting is proceeding at Red Lake, at Michipicoten, in Michi Biju, and elsewhere, but no information of interest is as yet forthcoming."

Imperial's Activities in Alberta Are Widespread

Imperial Oils is making progress with actual drilling and with drilling arrangements in the various Alberta fields in which it is operating, according to T. Draper, manager of the company's development undertakings. Royalite No. 5 in the Turner Valley field is down 3,398 feet and going ahead; No. 6, also in the same field, is down 2,947 feet.

The Bow River well is down 3,170 feet and the Rice Creek well 4,521 feet. Both are drilling.

At Erickson Coulee, the equipment is being changed over to standard rig and it is expected that drilling will be in progress again soon at 2,376-ft.

A rotary rig has been installed in the Bow Island (Burdette No. 1) well and drilling resumed.

At the Highwood well, the rigging has been started.

In the Ribstone-Blackfoot field, the camp and roads are being got ready preparatory to an early start on the well to test out this area.

West Dome No. 2 Vein Opens Up Fine Shoot

Consolidated West Dome Lake is doing better, having opened up what is said to be an entirely new grade of ore on the 1,050-ft. level which shows a length of close to 100-ft. of $10 grade over 5-ft. in width.

No. 2 vein, in which the new lense was discovered, has already produced two good shots of ore, but the grade, though fairly high has been found across such narrow widths that to work them profitably has been difficult. The new lense, which will be known as No. 3 shoot, was found about 150 feet east of No. 2 shoot and from present indications is the best of the lot. If it proves up under development it will be sought elsewhere lengthening the crosscuts eastward on the upper levels.

GOLD HILL EXPANSION

Gold Hill mines is to get Electric power and will enlarge its mining equipment so as to carry down 1,500-ft. to which depth operations are to be carried. The present objective is 800-ft. and to develop that level, and by then the new plant will be ready.

Turner Valley Real Oil Field Says Geologist

"I have no hesitation in stating that the McLeod No. 2 is a tremendously big well —how big, has not been determined yet," said Stanley J. Davies, petroleum engineer, and member of the firm of Pearson and Davies, Calgary. Mr. Davies selected the site of this well last year and he states that the developments are absolutely in line with the geological indications which caused him to choose the location.

"This well is so big that it is difficult to discuss its potentialities, but let me state positively that it shows conclusively that we have a real oil field in Turner Valley," Mr. Davies asserted. "It is a big well and no one may say definitely how great the flow may become. The important feature is that it proves that we have a real oil field in Turner Valley."

FIRST CONTRACTS FOR DEVELOPMENT OF FLIN FLON LET

Big Activity on Copper-Zinc Property Expected to Mark Winter

WINNIPEG.—Guarantees in connection with financing the Flin Flon Railway will be given to the provincial government immediately, it is stated, and actual construction work may be started late this month. The Flin Flon mine owners, H. P. Whitney and associates, of New York, and the Mining Corporation of Canada, are calling for tenders for 2,000 cords of wood, cutting to start within 30 days and the wood to be placed on the property as soon as winter sets in.

This indicates mining on a large scale, with a requirement of dry wood for active operations in the early winter.

Latest reports from Denver are that the final mill-run tests of 80 tons of Flin Flon ore have proved satisfactory and that the patented Denver process is perfected to retrieve gold, silver, copper and zinc from the complex ores of the property.

It is expected that the machinery for a pilot smelter will be shipped north before the close of navigation and, with everything on the ground work can go ahead all winter. It is probable that the right-of-way for the railway will also be cut during the winter months and what little bit of muskeg there is on the route will be ditched, so that actual construction work on the line can be commenced early in the spring.

The plan is for the Canadian National Railways to build the 82 miles of railway from the Hudson Bay Railway, north of The Pas, to the mine and lease it from the provincial government, the guarantors. Surveys are completed. Construction costs are known and the programme, involving the expenditure of from $12,000,000 to $20,000,000 on railway, mining plant, smelter and a 300,000 hydro-electric power plant on the Churchill River is expected to swing into action sometime this fall.

WILL BIG OIL CO'S. BATTLE IN ALBERTA?

Western oil engineers and geologists are certain that big developments are under way in the Alberta oil fields. They also see a tremendous fight in the offing for control of the fields between Standard Oil of U. S. as represented by Imperial Oil and Marland Oil which they say is the Dutch Shell of England.

Already things seem to be lining up. Imperial Oil recently acquired some C. P. R. holdings in the Blackfoot-Ribstone fields and shortly afterwards it was announced that Hudson's Bay Co. had made an agreement for the exploration of close to 2,000,000 acres of their holdings for oil.

This is taken to indicate that Imperial Oil has lined up the C. P. R. immense holdings and that Hudson's Bay is with the Dutch Shell. Both companies have a strong staff in the fields. The most recent Alberta Government news bureau says as follows: "A party of fourteen officials and geologists of the Marland Oil Co., of the United States, have arrived in the province, and will make preliminary arrangements for an extensive search for oil fields in Alberta, in connection with the partnership which has bee formed with the Hudson's Bay Co., to develop possible oil fields on the lands of that company. The operations of the company will extend over a period of years and considerable development is likely to result.

NEW VEINS OPENED ON ARGONAUT LEVELS

Three veins have been opened, on each of the two new levels, 875 and 1,000 ft., of Argonaut Consolidated Mines. Two of these veins offer commercial ore, and the third one is of high grade, analyzing up to $20.00 on the 1,000-foot level, and between $25.00 and $30.00 at 875, says J. A. Naud, general manager.

Returns from the mill were kept at a low average during the last few months, owing to the fact that ore was fed directly to the mill from development work, thus taking away the chance of compensation which prevails at other times.

"We are already stopping on Vein No. 3 at the 1,000 foot-level and the same work will start soon on the 875," says Mr. Naud. This will insure better control over ore values to the mill and, from now on, we are looking to weekly improvement on the net returns. Upper levels are still productive of good ore, the 350 foot-level in particular, being in high values at more than one place.

Have They Found the Cariboo's Mother Lode?

Once again someone has found what he thinks is the Mother Lode of the rich Cariboo placer area. Following closely on the spectacular Cedar Creek placer find which continues to stand up to previous claims, there is a report of a gold quartz strike on Black Bear Creek, 5 miles in direct line from Cedar Creek, and old prospectors are almost certain that this is the source of the gold gravel of the Cariboo.

NEW BROKERAGE HOUSE

C. I. Coulter of C. I. Coulter Co., Toronto, has recently been elected to membership on Standard Stock and Mining Exchange. Previous to entering into business Mr. Coulter was for more than 12 years on the staff of the Canadian Bank of Commerce.

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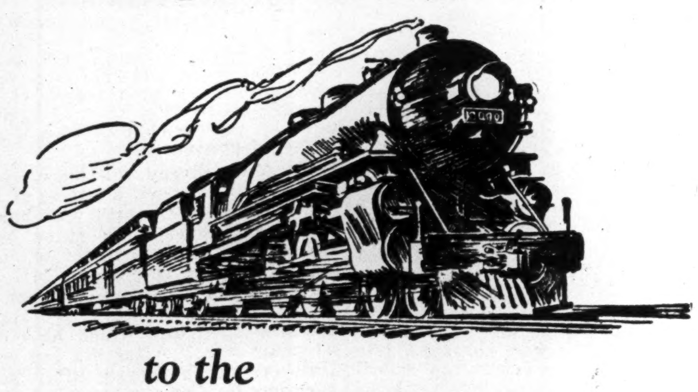

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TORONTO, AUGUST 6, 1926

WHEAT POOL'S FUTURE

HE WOULD be a rash man who would say that the Canadian wheat pool has not been a success—so far. It has marketed about half of Canada's recent crops on world markets at prices that have at least satisfied the farmers. They have been higher than the prices obtained by independent American farmers, and while private grain marketing organizations feel that the wheat pool managers have sacrificed wheat throughout, in order to sell it, thus reducing the final average return to the members, this is not a charge that can be proven or disproven on the available evidence. Certainly the plan of throwing all wheat in a general pool has brought all the members to the same level; has reduced the speculative element in their business and has put some of the long-headed farmers behind some of the poorer business men among them.

Business men in the West generally are favorable towards the wheat pool idea. It spreads the farmers' income over a longer period and maintains trade on a more level keel throughout the winter and spring.

The real testing time for the wheat pool is not yet. It has consistently sold its wheat on a rising world market. How successful it would be with market conditions against it is much of a question. The very best business acumen will then be needed to make co-operative selling a success and hold the wheat pool together.

In the meantime, business Canada is wondering how far the wheat pool will go in entrenching itself. Will the farmers be assessed a few cents on each bushel to provide investment funds that will enable the wheat pool to build more elevator chains, perhaps even to own vessels, etc.? This would make the wheat pool an even more powerful organization, but would also increase its problems.

Aaron Sapiro, the Chicago lawyer, whose silver voice has been responsible for many co-operative movements among farmers here and in the States, urged the farmers of Western Canada to broaden their co-operative efforts, when he spoke to a group of them in Saskatoon the other day.

> "That is the co-operative idea you have got to have in Saskatchewan. I would never be satisfied with my fellow citizens until every farmer is in the wheat pool, until you have got the control of every stick of timber in which your wheat is housed, control of production credit so it can be brought down to a five per cent. basis, control of marketing crediting so that you and the best wheat in the world can get credit of four per cent. I will not be satisfied until you are organized on the commodity basis for your dairy products, your live stock, all the things that will make a rich and complete agricultural life in Saskatchewan."

SLICK PROPAGANDA

BATTLESHIP Trust propagandists want us to establish a navy because it is beneath the dignity of Canada to sponge on Great Britain.

They point out that this would be a very simple matter. All we need do is to levy a small tax, say, one per cent. annually on our foreign trade. Basing that on the figures for the 12 months ending June 30, 1926, this would be $22,973,312. Of this, $13,351,525 would be charged to our exports which have to be sold in competition with the world. This amount is a pretty big handicap to put on Canadian industry merely to pay big profits into the pockets of a few German, British and French armament profiteers, for that is exactly what it amounts to.

The propagandists point out that when different Canadian provinces wanted good roads they raised the price of gasoline three cents. A similar policy, they argue, would establish the naval protection which the promoters tell us is necessary.

CIVIC COST ACCOUNTING

MANY keen students of municipal affairs have long contended that all civic utilities and departments should pay taxes upon the property they use. Only in this way, they contend, can the citizens know exactly what they are paying for any particular service.

In answer, critics of the suggestion proffer the view that this is simply a neat way of taking money out of one pocket and putting it in another. True; but business has found it worth while to use a pocket system of accounting. Business concerns charge each department with rent, administrative expense, etc., purely book-keeping transactions, but entirely necessary to modern efficiency. If they did not do so they would not know which departments were paying and which were not.

Evidently Toronto has made some progress along the line of setting up a civic cost accounting system since Finance Commissioner George H. Ross says in his annual report:

> "There is a close analogy between municipal and corporation finance; in fact the city is nothing more or less than a huge business organization, the administration of which is of the most efficient type. The accounting system is modern and details of the exact financial position of the city are available at all times. A separate department or commission controls the management of each large service or utility and there is no overlapping of functions. The autonomous boards and commissions in connection with the city are: Toronto Transportation Commission, Toronto Hydro-Electric Commission, Toronto Harbor Commission, Board of Education, Separate School Board, Housing Commission and Public Library Board. Each of these, while forming an integral part of the city's government, maintains an independent system of accounts. Interdepartmental privileges, such as free transportation, free water, light or power services are unknown. Each unit in the organization makes a proper charge for all services rendered."

The views expressed are sound, but the last statement is incorrect. Many of Toronto's utilities are exempt from various forms of taxation. Here is the proof from another paragraph in the same report:

> "The Toronto Transportation System and the Toronto Hydro-Electric System pay municipal taxes on the land they own, **but not on their buildings or improvements. They are likewise exempted from business taxes and local improvement charges. No municipal taxes are charged to waterworks, exhibition buildings, or abattoir,** but the properties controlled by the Housing Commission are taxed in the same way as other private dwellings."

GOOD ADVICE FROM RUSSIA

IT IS refreshing to find a Bolshevik giving sound advice to British workmen, but that is a fair interpretation of some recent and significant remarks of Felix Dzerjinsky. M. Dzerjinsky is head of the Empire Soviet Economic Council. He delivered an address in Moscow the other day in which he pointed out that there was under-production of essential commodities in Russia, although the factories were cluttered up with workers. The solution lay in improvement in business administrative methods, in the elimination of red tape and of waste of time and labor, which is now clogging the industrial machine.

This recognition of the power of efficient management and the weakness of "ca' canny" is significant, coming from one who has seen the Soviet's economic experiments gradually disintegrate.

Often leaders try to induce Canadian workmen to reduce individual production, thus making for more work, higher pay and shorter hours. But sane leaders have repressed this spurious but false campaign. Canadian workers know that higher production makes for individual advancement and general prosperity.

THE LESSON OF SPILLERS

A WRITER in the London Stock Exchange Gazette says of the venture of the Spillers Milling interests in Western Canada that it was "an ill-starred day when the directors decided to go into Canada; they have now sold their interests in line and terminal elevators there, and they charged £200,000 against profit and loss account last year to create a reserve to meet the Canadian loss, about half that sum being needed to meet the loss on exchange."

Whether the loss on exchange referred to had anything to do with conditions in Canada—or merely reflected careless banking—the fact remains that this loss of $1,000,000 is being charged up against Canada and the experience is evidently being advertised in a manner that will discourage capital from coming to this country.

The experience of the Spillers Company is not a new one as representing the outcome of British industrial ventures in Canada. A number of other concerns have suffered like losses. And it may be frankly pointed out that others in the future will also fare similarly if the promoters expect to establish in the Canadian field without closely studying Canadian conditions, or to conduct their operations in this country by aid of the Atlantic cable.

It might have been expected that the dismal failure of the efforts to manage the Grand Trunk Railway by a board sitting in London would have shown the futility of long distance management. But no, other failures have followed because British directors have decided that Canada should do business in the British way. And so Canada is blamed for losses which should be charged to the stiff-neckedness of British capitalists.

British concerns wishing to share in the prosperity of Canada must be prepared to do either one of two things. To establish their Canadian businesses as Canadian subsidiaries managed by Canadians, or to send out executives who will adjust themselves to Canadian conditions and have authority to manage the branch project according to Canadian standards. Otherwise there will continue the marked success of American industries establishing on this side of the border and the failure of British ventures.

Great Britain has learned diplomatically that Canada cannot be governed by orders issued from Downing Street; it is time that she learned financially that business ventures in Canada cannot be conducted by orders from Threadneedle or Throgmorton Streets.

OUR INFERIORITY COMPLEX

A RECENT visitor to Niagara asks why, on a steamer carrying shipments of lovely Canadian cherries, the only fruit offered to the passengers were colicy-looking green pears which the refreshment butcher proudly proclaimed as grown in California.

We do not know the answer, but it would seem to be just another evidence of what has been referred to as our inferiority complex, which causes so many of us to buy foreign grown products or foreign-made merchandise in preference to something just as good—and very frequently better—produced in our own country and offered at the same or lower prices.

And our luscious sun-ripened Canadian cherries are going to be passed over for the green-picked, forced, Californian fruit just so long as the California growers and their agents use superior methods for advertising and marketing their products. Likewise Canadian-made merchandise will take second place to the often inferior and seldom cheaper imported article unless Canadian manufacturers give the attention and study to marketing methods which they have devoted to production. Canadian farmers and Canadian manufacturers must not only produce to a high standard at a reasonable price, but they must let the people know about their products and market them by attractive and effective methods.

EDITORIAL NOTES

NEW YORK ticker slang for British Empire Steel is "bump." Not so bad at that.

* * *

EVEN CABINET ministers are being given "also spoke" lines in the papers. Such is fame.

* * *

CORRECT this sentence. The Wall Street Mirror observes: "The market may look high now, but you haven't seen nothing yet."

* * *

IN THREE countries, Canada, United States and Great Britain, extravagance by local authorities is offsetting reductions in federal expenditures.

* * *

THE MANITOBA Free Press has an editorial on breaking up ice-bergs. Not so out of place in the Free Press, since it is all for the Hudson Bay Railway.

* * *

"VILE CALUMNY by despicable individuals" is second only to "knowingly false and pregnant with slanderous innuendoes" as the choicest bit of hot-shot in the present election campaign.

* * *

IT WILL shock many Canadians to learn that Canada had no natural increase, and in fact a natural decrease, of population in 1925. Quebec births and deaths are not included, and may have changed the situation slightly.

* * *

FRANCE is worried because the German dye trust is buying shares in its big dye companies. Germany is worrying about the Standard Oil Company buying shares in the German dye trust. "Trust busting" will soon have an international flavor.

* * *

OPTION ON Hiram Walker and Sons' distillery at $14,000,000 recalls that the first Walker was unsuccessful in three businesses before founding this one at 41. Then he made fabulous wealth. Opportunity makes return visits.

Fifteen Years Ago

Extracts from Files of The Financial Post.

Hearst makes offer for Canadian pulp mills.

Toronto decides to vote on tube system for city.

Dawson City startled when coins less than 25c. appear in circulation.

Canadian National Fire Insurance Co. floated.

C.P.R. sells at 244; Detroit United at 73; Toronto Railway, 160; Canada Cement, 22; Steel of Canada 26.

Immigrants To-day Are Made to Feel at Home

Citizens Band Together to Start New Arrivals Off on the Right Foot — Jobs Are Found for Them and Help Given in Fixing Up Homes

By FLOYD S. CHALMERS.

COLD and harsh was the reception that the immigrant and his family was given in the West in past great periods of immigration activity. Brought across the ocean in a crowded boat, hustled aboard a colonist coach with hard seats and dusty floors, tumbled out at the uninviting station of an unpleasant shack town, he started life without a welcoming hand. Establishing a home was a cruel task. Lack of money, lack of friends, lack of experience, plus sheer lack of time to do everything that needed to be done, broke the hearts of ambitious men and the souls of forward-looking women.

The immigrants of other days were pioneers as truly as were the men who carved farms out of the primeval forests two and three centuries ago, and when success came to them, they had been tanned and toughened by the fierce elements of labor and trouble.

Welcome Mat at the Door

To-day there is the same need for hard work to succeed in the West. But instead of rough cobblestones to form the threshold of the new life, there is a welcome mat at the door. Immigrants of yesterday lighten the task of the immigrants of to-day and make them feel at home. New settlers are no longer left to their own devices and resourcefulness in solving the staggering problems they are confronted with. Instead they are directed to communities and farms where they are needed. They are welcomed when they get there and given a helpful push forward.

The railways, the government, the boards of trade and similar bodies in organized and unorganized effort, have given immigration activities a new tone of service and success.

Typical of the bodies doing this good work are the local colonization boards organized by the Canadian Pacific Railway in some 75 townships on the prairies. The C.P.R.'s work is duplicated by other organizations, and in many more townships there are active local bodies helping to follow through in immigration activities. But a description of the work done under C.P.R. auspices by the local business men, farmers, etc., who make up the local organization boards will show what kind of work is now being done to make immigration a success.

Local colonization boards are formed to invite and encourage desirable immigrants to Canada; to help settle them in the community of their choice on arrival; to welcome them and make them feel that they are amongst friends; and to be, at all times, a source of reliable information and advice.

Briefly, the object of their formation is the co-operation of communities and individuals in helping to settle their communities and to assimilate new-comers as they arrive.

Boards are composed not only of farmers but merchants, bankers and other townspeople, and are affiliated with boards of trade and other civic bodies of the various communities.

Colonization boards start their work by making an agricultural survey of their communities in order to see just what farms are unoccupied; the price and terms upon which the owner will rent or sell; condition of farm and farm buildings; as well as what farmers in the community require, or will require, at certain dates, farm helpers or domestics. They then advise just what their requirements are by filling out forms of application which are placed in the hands of the railroad, upon which the railroad makes a definite effort to meet their requirements.

Every new settler in a district means greater prosperity to that district; increases the value of lands already settled; increases local business through the necessities of the newcomer; decreases taxation through greater distribution.

From carefully compiled statistics, it is found that every family of five means annually, an expenditure of $1,500 for groceries, building materials, hardware, clothing, etc., to which extent the community in which they settle benefits.

For each application form filled out and sent to the railroad colonization department, the railway pays the local colonization board the sum of 50 cents, while to aid a member of the board to travel in connection with his work, the sum of $5.00 a month is paid and annual transportation within the district, is supplied to the Secretary of the Board.

One in B.C.; One in N.S.

Already there are some 75 such colonization boards successfully operating in Eastern Canada, one in British Columbia and one in Nova Scotia. Through their instrumentality, many families and individuals, farmers and domestic workers have been satisfactorily settled in a manner that has encouraged them and made them feel that they were esteemed as assets of the community.

The movement marks a drastic change in the attitude towards immigration. Immigrants, in the past, very often were left to their own devices (by the settlers in the communities); frequently unacquainted with the language; confronted with unfamiliar conditions. Settlement to-day, is effected under vastly different conditions to those which faced the early pioneer. New arrivals, either with or without capital, are not advised to take up land without first securing agricultural experience. Positions are secured for them before they leave their old home. They are welcomed on arrival as friends.

Communities adopt them as their wards; maintain a supervision over them; ascertain their treatment; measure their progress; and endeavor in every way to assist them. When fully qualified, they are aided to take up farms for themselves and begin under the best auspices with the best assurance of permanency and citizenship.

Current Comment

HOT SHOT FROM THE WEST

Saskatoon Star—There is no one in Mr. Meighen's cabinet as rich as Mr. Mellon, perhaps because there is no one in Canada as rich. But Mr. Meighen has picked the wealthiest men at his disposal and his chief lieutenant, the minister of finance, is Hon. R. B. Bennett, a millionaire, who profits personally by the operation of the protective tariff. With hardly an exception, the other members of the cabinet are men with the Mellon point of view on public affairs, men whom special privilege has made rich, who attacked the recent income tax revisions because they helped the wealthy less than they helped the people of moderate means, who hold that "national policy" consists in assiting the rich to get richer.

ECHOES FROM THE SOUTH

Edmonton Bulletin: The great Florida boom is petering out in a succession of detonations like unto the popping of ginger ale bottles at a picnic.

That sound of crackling that comes from the sunny southland is not the noise of machine guns barking in the Everglades. It is made by the banging doors of banks which have gone broke because speculators were allowed to draw from them the money of other people and scatter it to the winds in the greatest real estate gamble ever staged.

Canadian banks, operating under the much-condemned Canadian banking law, do not always accommodate the would-be borrower to the extent of his expansive ambitions. Sometimes they err on the side of conservatism when a farmer or other business man seeks capital with which to finance a wealth-producing enterprise.

But, with all their faults, Canadian banks are depositories into which a man can put money with pretty good assurance that when he wants it again he will find the doors open and the cashier doing business at the old stand.

Public Utility Securities

On account of the attractive interest yield, coupled with the general excellence of this type of security, Public Utility Bonds are increasing in favour with investors.

We have some very attractive offerings at prices to yield up to 6½%.

Write for particulars

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LONDON, E.C. 2, ENG.
Gresham House-Old Broad St.

Maritime Banker Retires After Long Period of Public Service

After twenty years service in the Bank of Commerce in Halifax as city manager and later as superintendent for the Maritime Provinces and Newfoundland, Dougald Macgillivray is retiring. His retirement, says the Halifax Herald, will be a distinct loss not only in the financial and banking realm in which he founded his life work but to the business life of Halifax and the Maritime Provinces as well. Regarding Mr. Macgillivray and his work the Herald continues:

To recount the many and varied activities of Mr. Macgillivray would require considerable space. He came here from Ontario over twenty years ago, taking up his work in Halifax as a manager of the Canadian Bank of Commerce shortly after its purchase of the Halifax Banking Co. Possessing the qualities of executive and banking capacity, he passed through a successful career and finally reached his present important and responsible position in 1919, the duties of which he has discharged with fine merit and distinction.

These qualities were brought into direct service of this city in the council of the Board of Trade, on which he served almost continuously since coming to Halifax. Mr. Macgillivray was vice-president of the Board of Trade during 1915 and 1916 and president during 1917 and 1918. During his regime as president, the explosion occurred, and his prompt and energetic measures in forming a committee for bringing assistance to the needy and homeless will be remembered. It was on the initiative of the Board of Trade that the Dominion Government appointed the Royal Commission, presided over by T. S. Rogers, K.C., to rebuild the devastated area.

Mr. Macgillivray has been a member of the Board of Governors of Dalhousie University since 1919, and he is a member of the executive of that board as well.

He organized the Canadian Club which for years was outstanding among the Canadian clubs of Canada, and is an active member of several societies and organizations. We believe he is entitled to most of the credit for the Burns monument. It can be truly said of Mr. Macgillivray that whatever program or project he became interested in, he put himself fully into the work. Whether the work to be done was in his church, or upon some committee or with the carrying out of some public philanthropy he devoted his energies and skill to the task with whole-hearted concentration.

The success of the building of the Memorial Tower, and the acquisition of the beautiful Dingle resulted almost entirely from Mr. Macgillivray's efforts. The vision, determination and capacity displayed by him, the work of achieving this fine asset in the face of difficulties, are characteristic of the man.

His vital interest in our educational system and the public schools; his strong support to music, art and to many beneficient and charitable enterprises, contribute to a record of constructive citizenship, which is remembered by this community with a sense of deep appreciation.

Mr. Macgillivray will be succeeded by E. E. Henderson, a native of Clifton, Colchester County, who has for some years held the position as inspector of the department of manager in chief at Hamilton. Mr. Henderson began his banking career with the Truro branch of the Halifax Banking Company which he entered 48 years ago. After serving in the Halifax branch shortly after its absorption by the Commerce he was transferred to Belleville. Later he was moved to Winnipeg and rose to the position of inspector in the Central Western district. In 1916 he was transferred to head office and, following the amalgamation of the Bank of Hamilton with the Bank of Commerce, was appointed an inspector of a new department at Hamilton composed of the former Bank of Hamilton branch in Ontario and termed department-of-manager-in-chief.

INVESTMENT SECURITIES

Which Do You Need Most:

Security?
High Income Return?
Marketability?
Speculative Possibilities?

It is not economy to buy what you have no use for.

Consult us freely.

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BANK OF TORONTO BUILDING
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Experience In The West

As British Columbia has grown great cities where forests stood a few years ago, our institution has kept in step with the rapid development of this great West.

This experience is at the service of those who plan investment here. We are glad to render independent reports on investments already made.

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THE SMALL INVESTOR
has equal opportunity with the investor of large means of obtaining a profitable return on his money by investing in our Accumulative Bonds. They were devised largely because there are so few high-grade securities available to those of moderate means.
The small sum of $78.12 will purchase an Accumulative Bond for $100 payable at the end of five years.
Our Bonds, along with our deposits, are secured by the Corporation's entire Assets, which amount to $48,281,493.32.
It is well worth your while to investigate the merits of these Accumulative Bonds. They are a particularly attractive medium for the investment of small amounts on which you are prepared to allow the interest to accumulate.
Canada Permanent Mortgage Corporation
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We have been providing safe investments for small sums since 1855.

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Toronto Computing Scale

G. C., Ontario.—In the fall of 1921 an agent of Toronto Computing Scale, Paris, sold thousands of dollars' worth of stock, giving one share of common and two preferred. Certificates called for 8 per cent. annually, but with the exception of Nov. and Dec., 1921, we received no dividends, and these were evidently paid out of capital to induce others to subscribe. We can get no satisfaction and would like to know if we can compel them to make an assignment or settlement of some kind.

It is rather difficult to get a line on the fate of Toronto Computing Scale Co. The plant was closed down and it is understood that the head of the company, J. L. Howard, is now employed as head of another plant in Paris. We are endeavoring to ascertain what became of the assets, if any.

Cosgrave Brewery

M. J. K., Quebec.—When do you expect dividends to be paid on Cosgrave Brewery? Why was the permit of the company suspended? Does Ontario look to you as going wet next election? Would appreciate any other information you may have on Cosgraves.

Cosgrave Brewery has had its license renewed and dividends have been resumed on a 5 per cent. basis. They were held up for a time following cancellation of the company's license owing to some conflict with the law and license department. The shares are selling at present 3¼ to 4½. It is said that the company is earning at present more than double the dividend paid. Only an election on the subject will decide the future state of Ontario's wetness or dryness and there is no indication as yet that another vote is to be taken.

Consider the Security

Inquirer, Merrickville. — Will you kindly favor me with your opinion as to the financial standing of the following companies: National Debenture Corporation, Toronto Bond Exchange, United Bond Company, Municipal Bankers Sales Corporation, and whether you consider them sound investments for a man of moderate means.

We would consider the National Debenture Corporation, Toronto Bond Exchange, United Bond Company, and Municipal Bankers Sales Corporation as reliable firms with which you could deal with confidence.

National Debenture Corporation is an investment trust organized to sell securities, the proceeds of which will be invested in trustee investments. Its collateral trust bonds offer a diversity of security with the labor of investment removed.

Toronto Bond Exchange deals in a wide variety of securities, and we consider it financially strong enough to assume such responsibilities as are involved in its relations with its clients.

United Bond Company is a Canadian organization affiliated with a large and successful Detroit organization specializing in first mortgage real estate bonds. Its offerings to date have been well set up, and we have been disposed to recommend each of them to investors.

Municipal Bankers' Sales Corporation deals in a number of different securities, chiefly in the bonds of the Municipal Bankers' Corporation. These are secured by Government bonds and by mortgages of different kinds, and are really in the nature of modified investment trust securities. We consider the organization reliable.

Of course, in the case of the three bond houses mentioned, you would have to consider the particular security offered to you in relation to your needs and as any offerings are made by these firms, we should be pleased to give you our viewpoint if you should so desire it.

Canada Cement

Inquirer, British Columbia.—What is your opinion of Canada Cement common? I bought it at $105, in March, 1925.

Canada Cement common is a stock backed by strong assets, established earning power, and supported by good management. The prospects of the company are excellent. There is hardly likely to be any flare-up in the security, as it has a record of slow, but consistent advance over a term of years. Its dividend rate, at the present time is small for the market price of the stock, and it is generally felt that the dividend will not be changed until 1929, when the company's bond issue matures. We consider it an excellent stock to hold, and one that should, with expanding business in Canada, bring the investor good profits over a term of years.

The directors of the company are: F. P. Jones, president; H. J. Fuller, vice-president; Angus McLean, R. W. Kelley, F. Robertson, H. L. Doble, E. M. Young, J. P. B. Casgrain, A. C. Tagge, vice-president; R. E. Webster, D. M. Butchart, Hon. C. C. Ballantyne, G. W. Allan, G Edwards, J. A. Russell, Hon. J. L. Perron.

Winnipeg Electric Bonds

Toronto.—Would you kindly give me your opinion of the Winnipeg Electric Power Co. on their bonds maturing in 1954, bought at 96 and if it is a good investment I made.

Yes, you appear to be receiving an excellent yield on a good public utility bond which last year had earnings of $1,866,315 applicable to the total bond interest requirements of $872,914.

Ranking ahead of the issue which you hold, there are two bond issues outstanding to the extent of $5,000,000. One of these matures January 1, 1927, and the other matures in 1935.

The Winnipeg Electric Company have fixed assets of over $33,000,000 as compared with total mortgage bonds outstanding of only $12,000,000. We should say that these bonds are well secured both as to principal and interest.

The directors of the company are: A. W. McLimont, president, W. R. Bawlf, vice-pres., G. V. Hastings, Hugh Sutherland. W. J. Bulman, D. N. Finnie, W. H. Carter, N. J. Breen, A. J. Nesbitt, J. B. Woodyatt, S. L. Fuller.

A Question of Income

Inquirer, Kakabeka Falls.—I would like some advice for reinvestment. I have $5,000 invested in government bonds, 1934, and $1,000 in St. Maurice Valley Corporation, 6½ per cent. bonds, $500 St. Maurice Valley Corp. preference 7 per cent., $500 Kaministiquia Power stock, 7 per cent. Now I am getting up in years and will soon need an income apart from working. I thought I might invest some of the money that I have in government bonds more profitably. Are the St. Maurice Valley bonds and stock good, and could I invest these bonds and stock to better advantage, also the Kam. Power stock? And what would you advise about the $5,000 government bonds?

It is difficult to suggest any way that you can increase your income from the $7,000 you have invested. This is because a person in your position with that amount of money, can not afford to seek a higher income through the purchase of any securities with any speculative appeal whatever. It costs you something each year in income to hold government bonds to the amount of $5,000 when that money might be invested in corporation securities to bring you a much higher yield, but your total investment fund is not large, and the sacrifice of annual income is well worth while to give you absolutely sure and continuous, uninterrupted income.

Your St. Maurice Valley Corporation and Kaministiqua Power securities are strong, but we do not feel disposed to recommend that you purchase more heavily in these securities, except out of any additional funds you may acquire over and above the $5,000 in Victory Bonds.

If you are not concerned with leaving the principal amount of your fund at your death, you could probably do better for yourself by purchasing a Dominion Government Annuity to bring you the largest possible income between now and your death, but that would depend upon your age and whatever special features you wanted in the annuity. However, it might be worth while for you to enquire from the Annuities Branch of the Department of Labor, Ottawa, concerning this form of investment.

A Power Switch

T. R. J., Quebec.—What do you think of the shares of the Quebec Power Company as compared with the common stock of the Power Corporation of Canada and the common of the Ottawa-Montreal Power Company? I am considering switching my holdings in the latter companies into Quebec Power. Perhaps I might sell either my Ottawa-Montreal or my Power Corporation. Which is the better of these two?

In comparing the common shares of the Power Corporation of Canada and the Ottawa-Montreal Power with those of the Quebec Power you have chosen two types of securities which are not in any way comparable.

The shares of Quebec Power look to us to be a gilt-edge investment which can be depended upon to bring you in a steady revenue and which, over a term of years, we believe will show some stock market appreciation. On the other hand, the Ottawa-Montreal and the Power Corporation common stock is a speculation which you should be holding, not with a view to obtaining a revenue, but to obtain an appreciation in market prices.

In view of the past record of the power and public utility companies in Canada, we should say that if you are willing to hold your Power Corporation common stock over a number of years you stand a good chance of obtaining an excellent profit on your investment. The common stock of this company looks to us to be more attractive than the common of the Ottawa-Montreal Power which does not obtain its revenues from such varied sources.

French Bonds

G. R., Fort William.—Some time ago I wrote you asking your opinion regarding the investment in French government six per cent. bonds as advertised in the local papers. You advised me not to do anything at the time but to write you again at some later date. Will you please be good enough to give me your opinion of same at the present time.

We do not recommend investment in French Government Bonds payable only in francs. The present condition of French finances is such that there is no assurance that the franc will not follow the mark.

In the past we have recommended against dealings with C. M. Cordasco & Company of Montreal and see no reason to change our viewpoint. Our chief criticism has been that most of their advertisements which we have studied have quoted these bonds at considerably over what they could be purchased for by an investor utilizing other channels to acquire these issues.

C.N.R. Income Bonds

Subscriber, Napanee.—I would like some information regarding the 5 per cent. income charge debenture bonds of C. N. R., due in 1930. I own $5,300. They are not paying any interest on these bonds now, but I bought them at 57. Do you think that was a good buy and do you think they will be paid at maturity? I have had them about two years and some bond men advise me to trade them in for something that is sure, as they say that the government may extend these bonds on for another ten or fifteen years, or they may refuse to pay them at all and give said part of road over to the bondholders. Would you hold them until maturity or not if you were me?

We have not been able to get any authoritative information as to what action Canadian National Railways is likely to take regarding the C.N.R. income charge debentures when they mature in 1930. We doubt if any such information could be obtained or that the C.N.R. would decide what action to take until the debentures are very close to maturity.

Under those circumstances, we can only state that the debentures are a speculative security with considerable promise and make a good business man's speculation.

If you are in the position of wanting to hold only A1 securities, looking for income rather than profit, then it might be wise for you to take your several points profit on these debentures and put your money in a longer term, well-secured corporation bond.

If, however, you are in a position to carry a somewhat speculative security in the hope of making a considerable profit, then the important point is that your position in regard to these debentures has not changed since you bought them. The prospects are no better and no worse.

National Debenture

Banker, Ontario.—I have been asked for information on the investment trust of the National Debenture Corporation issued by the G. A. Stimson & Co. Could I safely recommend these bonds to a lady investor, as she has been approached to purchase same and has asked me for information.

There are two or three securities being issued by the National Debentures Corporation. We would consider the 5½ per cent. collateral trust bonds as a thoroughly safe investment and think that a lady investor might purchase them with confidence.

The provisions of the trust deed requiring 105 per cent. of the par value of the issue in government, provincial, municipal bonds, and first mortgages to be deposited as security for the bond issue is, we consider, satisfactory protection for the investor.

There are other issues junior to this one which would be less satisfactory for a lady investor, but so long as only first collateral trust bond issue is purchased there would seem to be very reasonable measure of safety.

Besco 2nd Preferred

Reader, New Glasgow.—I am a holder of 300 shares of Besco 2nd preferred. Please let me know the situation with regard to this stock. Would you advise me to hold on to my shares or sell them? What is your opinion in regard to the coming re-organization of Besco and what will the 2nd preferred get?

The market for the second preference shares of the British Empire Steel Corporation has declined from a high point of around 10 this year to $1.50 to $2 per share. We doubt if there is any possibility of a substantial recovery of value for these shares in view of the crisis in the company's affairs. At the same time to dispose of them on the present market would be to realize a very small sum as compared with what you probably paid. The proposition as it stands is very much of a gamble. In any event you can lose no more than the present small valuation which the market puts on these shares. Should the situation improve and some plan worked out to the advantage of the shareholders there would seem to be a chance of getting a sum much larger than that which you would get on the market now. This in brief is the situation as we see it, and the decision must rest with yourself as to whether you prefer to face your loss at the present and realize what you can, or to take the speculative chance of something better developing. After all there is perhaps no better indication of the small chance of substantial recovery than the price at which the shares are being traded on the market.

When You Wish to Buy or Sell

Through our extensive system of offices, plus private wires and correspondence connections, we are able to obtain prompt and reliable quotations and information on securities dealt in in all markets.

We invite you to use these investment facilities. Write our office nearest you.

Royal Securities
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164 St. James Street
MONTREAL
Toronto Halifax Saint John Quebec
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FREEDOM FOR Manufacturers from High Taxes, High Labor Rates, High Labor Turnover, Power Problems, Freedom to Expand on Ample Sites, Permits Concentrated Effort on Production.

SOUTHERN POWER CANADA

We have located plant to the value of over $25,000,000 in the last five years under the above ideal conditions.

WE CAN DO IT FOR YOU

SOUTHERN CANADA POWER COMPANY LIMITED
330 Coristine Building — Montreal

International "Pete's" Amazing Development in Colombian Fields

Colombia Has Become a Major World Producer in Short Space of Five Years — Huge Quantities of Oil Piped Hundreds of Miles to Water

When one realizes that five years ago the only oil in Colombia was imported at a great cost, the recent developments of the International Petroleum Company of Canada is little less than amazing. To-day Colombia ranks among the major oil-producing countries of the world.

The potential oil territory is situated in a trackless jungle, some 400 miles from tidewater. A geological survey of the area has demonstrated the existence of four structures within a radius of fifty miles.

The Infantas structure was the first to be developed, and at the present time over 100 wells have been completed, with a potential daily capacity of 75,000 barrels. And it is said that none of these wells have yet reached the bottom of the potential oil horizon. The largest of these showed a flush production of 9,000 barrels a day. It is claimed by geologists that this area will permit the drilling of three hundred more wells without over-taxing the territory.

Exploration work on the La Cira and San Louis structures has shown them to be of great promise; the former is situated some three miles to the west of Infantas, the latter fifteen miles to the southwest. At the present time the potentialities of these new structures are being thoroughly tested.

At Barranca-Bermeja, 400 miles from the Caribbean coast, the jungle has been thrust back to make room for a new industrial community, a modern refinery of 2,000 barrels daily capacity being operated by the company.

Operations is an oil field are dependent upon transportation as much as is an army during a campaign. In July, of this year, the Andian National Corporation, a Canadian enterprise headed by Sir Herbert Holt, president of the Royal Bank of Canada, completed a pipe line from tidewater inland to the company's properties, a distance of 362 miles up the Magdelena River. This pipe line will carry about 40,000 barrels every twenty-four hours. However, it is already feared that the present line will prove inadequate, and that it will be necessary to loop it.

The Andian Company begins operation with a contract for the transportation of the first 50,000,000 barrels from the Infantas field, and at the present rate of production this will mean about five years' run. At the terminal there have been constructed eleven tanks with a combined storage of nearly a million barrels.

The International Petroleum Company of Canada is controlled by the Imperial Oil Company, Limited, 80 per cent. of which in turn is owned by the Standard Oil Company of New Jersey. The outstanding stock of the Imperial Oil Company is 6,491,852 shares, 5,200,000 of which are held in the treasury of the Standard Oil Company of New Jersey.

At the present time it is claimed that a new well is being brought in on the Colombian field every five days, and with the increased production, and the promising exploration work that is going on, earning prospects appear to be very bright. According to good advices there will be a substantial increase in the dividends of both the International Petroleum and the Imperial Oil Company.

As indicated by the market price for both International Pete and Imperial Oil, higher dividends have already been discounted. That shareholders will eventually receive higher returns is reasonably assured, but officials state that there has been no talk of an immediate increase, and it should not be overlooked that a conservative policy in regard to dividends has been consistently followed.—F.J.A.

POST-Scripts

IN SOME parts of Canada, we take our politics seriously, notably in Ontario rural constituencies and in Nova Scotia. But our platform performers never get worked up to a pitch of excitment that they attack their opponents as did one Texas politician, who said the other day, concerning ex-Governor James Ferguson:

"A few nights ago you had the opportunity of beholding and hearing in this very hall the dirt-dauber of discord, the exemplar of rancor and bitterness, the advocate of arrogance, the apostle of avarice, the very promoter of a shameful system of public administration for private profit. He was the living embodiment of Fergusonism, the incarnate and sinister expositor of all its degrading practices, the frenzied prophet of the destruction to which it inevitably trends, the surpassingly mendacious, impious, brazenly blasphemous political cut-back, old Ukelele Jim, himself."

One could hardly say words failed him.

THE lady who crossed on the ferry from Detroit to Windsor because she had "always wanted to see England" has a pair of rivals. As the Vancouver Province tells the story, two comely and enthusiastic ladies recently bounced into the local information office and asked the clerk where they could change their money into pounds, shillings and pence with as little delay as possible. Upon being told that they must go to England for that they seemed a little hurt and suggested that this form of currency was used in Canada.

When they heard further that this was Canada, they explained that they meant the real Canada, "Montreal and 'round about there." They were only cheered up a little when they finally understood that dollars and cents were universally used in this Dominion, for they then reflected, with little squeals of delight, that this was so nice for Canada to be getting so civilized.

LIFE in a small town has an intimate touch that is lacking in the high pressure living of city folks. Up in a small Ontario town the other day, one of the local merchants drove his car into the main street without bringing it to a full stop. The chief constable, who was also the town traffic cop, gave him what can best be described as a "bawling out," and told him he should have come to a dead stop. The merchant questioned his ruling and told the constable to issue a summons if he wanted to find out that there was no stop by-law concerning that street. The chief constable took up the challenge so gaily flung at him. Then the merchant and the constable put up a bet of a box of cigars on the case. If the merchant gets off he is in a box of cigars. If he is fined or found guilty of an infraction of the traffic by-law he is out the fine plus the cigars.

There will probably be a big gallery at the magistrate's office when the case comes up next week.

COUNTLESS times the question has been asked why the railways serve California fruits in their dining cars speeding through Ontario's fruit orchards? Or why Canadian women like to buy their clothes in the States and American women always buy an outfit when they come to Canada?

Here is a new puzzler to add to the series: why do so many summer hotels fill their menu cards with soups and meats that they import from the city packing houses and overlook the fresh vegetables and fruits from the neighboring truck gardens?

One of the best known summer hotels in Ontario has not had a salad or a fresh vegetable on its table so far this summer. The proprietor offers the excuse that they are hard to get. Yet his hotel is in a good farming district with truck gardens that ship their produce to the very city from which he gets his meats.

NOT long ago one of the colored messengers employed by a prominent New York banking house isued invitations to his golden wedding anniversary. Being an old employe it was considered quite correct for him to include the members of the firm in the distribution of the invitations; they in turn were quite correct in their attitude for the messenger raked in something like a thousand dollars cash as part of their congratulations.

None of them knew, or at least let on if he did know, that the messenger had been married only 42 years. Some of the other employés, however, were not so delicate and he was finally asked how he squared a 50th wedding anniversary with the fact of only 42 years of married life.

"Well, you see," was the explanation, "I wasn't sure I might live that long."

MAKE THE BOOTLEGGERS PAY

Hamilton Spectator — Bootleggers are lawbreakers and their profits are illegal; but that is all the more reason why they should be compelled to contribute to public revenue.

Selected Securities for Investment in August

Our August Investment list is something more than a mere summary of prices and yields.

In concise form this list summarizes the essential information on well diversified groups of government, public utility and industrial bonds and preferred stocks.

The requirements of any investment can be met from this list and it will be helpful to you whether you are an investor of long experience or an investor contemplating a first purchase.

Income returns range from about 4½% to about 7½%.

Write or Telephone for Investment List No. 4.

Greenshields & Co
17 St. John St., Montreal
also Mount Royal Hotel Building
TORONTO 14 King Street E.
OTTAWA 46 Elgin Street
QUEBEC 80 St. Peter Street

ELECTRICAL REFRIGERATION

and its investment possibilities

We have prepared for distribution a very complete analysis of the Canadian market possibilities and the outlook for this gigantic new industry, which is still in its infancy.

Electric refrigeration will make fortunes for those who keep pace with development and we suggest that you send for a copy of this survey at once.

Walter T. Smith & Co.
LIMITED
INVESTMENT BANKERS
330 BAY STREET, TORONTO

As Others See Us

DOING "PRETTY WELL" IN CANADA

Sydney, N.S., Record: It is pointed out by The Toronto Financial Post that a number of large Canadian companies have established plants in the United States and have met with marked success. The companies must have been doing pretty well in Canada or they could not have attained the strength which enabled them to extend their operations across the border. The Financial Post might think on that point once in a while when it is printing its frequent articles about the deplorable effect of the policies of its political opponents on Canadian business and industry.

ABOLISH THE SALES TAX

Bridgeburg Review: The Financial Post reports that the Massey-Harris company will earn probably $13 on its common shares this year. The Massey-Harris company is one of the few concerns in Canada which must meet competition from all the world without the benefit of protection in the home market.

That sounds like a free-trade argument. It is not, exactly. The Massey-Harris company and other makers of agricultural implements have the additional advantage of getting their raw materials in the lowest market free of customs duties. Also, it is said that the Massey-Harris plant at Batavia, N.Y., is a prosperous unit.

More important than these, however, is the fact that the Massey-Harris company neither pays sales taxes nor has to charge sales taxes to its customers. Its prosperity, therefore, is indicative of the benefit that would result from general abolition of the sales tax.

The sales tax probably is at the root of a good many of Canada's business troubles. It would have been sound economics to have reduced or abolished the sales tax instead of the income tax. The greater number of people would have benefited. The government which abolishes the sales tax, whether it is Liberal or Conservative, will have achieved a great reform.

5½% Interest Return

INVEST YOUR SAVINGS
in a 5½% DEBENTURE of
The Great West Permanent
Loan Company

SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00

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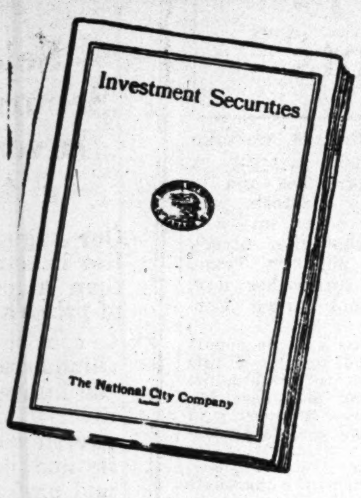

Bonds for Sound Investment

A list of several of our recommendations consisting of Canadian Government, Foreign Government (External Issues), Canadian Municipal, Railroad, Public Utility and Industrial securities, in a wide range of maturities, will be found in the current issue of our monthly booklet "Investment Securities."

A copy of this publication will be sent upon request.

Write our nearest office.

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO
204 Blackburn Building OTTAWA
71 St. Peter Street QUEBEC
147

An Attractive Investment in Nova Scotia

By June, 1927, the earnings of the Avon River Power Co. Limited, Nova Scotia, after deducting full maintenance and operating costs, will, it is expected, be sufficient to pay interest requirements on the First Mortgage Bonds more than twice over.

The company enjoys a steady demand for power from municipalities and industrial concerns throughout the eastern section of the ancient Annapolis Valley. Recent purchases of other properties provide for steady growth.

We recommend the First Mortgage 5½ per cent. Sinking Fund Gold Bonds of this company as an investment of satisfactory yield and ample security.

Price: 98.50 and accrued interest to yield more than 5.60%

Descriptive Circular on request.

JOHNSTON AND WARD
14 King St. East, Toronto
Members: Montreal Stock Exchange
Toronto Stock Exchange

We wish to announce the appointment of

MR. LAURENCE E. CLARK

as Vice-President and Director of the firm of

G.A.STIMSON & Co.
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The Oldest Bond House in Canada
300 Bay Street - Toronto

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange
21 JORDAN STREET - TORONTO

UNLISTED SECURITIES

	Bid	Asked
Can. Machinery, com.	5	.
Can. Westinghouse, com.	165	..
Cosgrave Brewery	3	4
Dom. Power, pref.	97	99
Farmers Dairy, com.	48	..
Farmers Dairy, pref.	95	102
Dunlop Tire, pref.	71	75
B. Greening Wire, pref.	94	96
Copeland Flour, com.	2	4
Gunns, Ltd., pref	27	30
King Edward Hotel, Deb. A.	79	81
King Edward Hotel, Deb. B.	59	61
Loew's Buffalo, pref.	..	50
Loew's London, com.	2⅞	3⅜
Pure Food, com.	30	..
Mount Royal Hotel, pref.	38	40
Willard's pref.	69	72
Capital Life 25% paid	23	26
Continental Life 20% Paid	36	..
Crown Life	122	..
Empire Life	22	..
Excelsior Life 29% Paid	50	..
Great West Life	400	..
Imperial Life	280	..
Monarch Life 10% Paid	22	..
Mortgage Discount, pref.	7	7½
Ontario Equitable	22	25
Re-Insurance	22	25
Security Life, 40% Paid	30	34
Sherbrooke Trust	105	..
Sovereign Life, 25% Paid	27	29
Toronto Finance, pref.	4	5

News of the Investment Market

MANY NEW ISSUES TO BE ANNOUNCED IN ANOTHER MONTH

Good Demand Now, Especially For Very Short Term Stuff

While the number of investment houses taking advantage of the present good demand for sound, long term investment is not great there is indication that September 1 will see many large and important flotations.

Financing of the Anticosti Island deal was announced finally this week in the offering of $6,000,000 of bonds.

There is an intense demand for short term securities. Various financial and business institutions are bidding high prices for bonds maturing within a year and for bonds called for redemption at an early date.

Concerning the bond market National City Company, Limited, comment:

"The continued scarcity of new issues of securities which are entitled to a rating as sound investments has directed more attention to such existing issues as are obtainable at attractive levels, and has brought about a corresponding diminution in the amount of these available.

"Investment houses are impressing upon their clients the necessity for a quick decision in regard to attractive new issues, and it may be assumed that subscription lists will be closed rapidly at a time like this when the supply is so much less than the demand for high grade bonds. Experienced institutional investors and others close to investment markets are showing a strong preference for long term issues, thus indicating a conviction that there is little prospect of a serious recession and that the average level of prices for some time to come will be high as compared with the past six or seven years."

Cosmos Imperial Issue Finances Control Change

In connection with the change of control of Cosmos Imperial Mills from American to Canadian ownership, an issue of preferred stock is being made by A. E. Ames & Co. The issue, which follows the $980,000 bond issue made about a year ago, is for the amount of $1,500,000 and is backed by earnings that are equivalent to about 2¾ times dividend requirements. The stock is being offered at par, the dividend rate being 7 per cent.; a bonus of common stock is being given as well.

No change in the company's line of business or in its management is contemplated. It will continue to manufacture the heavier grades of cotton duck, used for sails, belting and hose, tents, awnings, etc.

Cosmos Imperial has been under control of interests associated with Lockwood, Greene & Co., American industrial engineers, but by the new deal gets under control of a group headed by Walter S. Burrill and Alan S. Young, of Hamilton, Ont., two of the company's leading executives.

Cosmos Imperial Mills, Limited
$1,500,000

Seven per cent. sinking fund cumulative preference stock. Par value $100 a share.

Company—Owns and operates two modern heavy duck manufacturing plants, one in Hamilton, Ont., and one in Yarmouth, N.S. Equipment consists of 39.611 spindles and 243 looms.

Assets—Fixed assets $2,300,000 and net working capital $1,104,883, making total assets of $3,404,883.

Earnings—Estimated for current year at $291,428, after bond interest, etc.

Sinking fund — Stock redeemable at any time at 105. Sinking fund to purchase stock to be built up from 10 per cent. of annual earnings after preferred stock dividends.

Capitalization	Authorized	Issued
1st mtge. sink. fund gold bonds	$ 980,000	$ 980,000
7% sink. fund cum. preference stock	1,500,000	1,500,000
Common shares, no par value	50,000 shs.	50,000 shs.

Offered—August, 1926, by A. E. Ames & Co., 53 King Street W., Toronto, at par, with bonus of half share of common stock with each $100 share of preferred.

This Week's Bond Sales

FREDERICTON ISSUE

An issue of $25,000, City of Fredericton, water debentures, recently authorized by the city council, has been awarded to Bell, Gouinlock & Co., at a price of 99.63. Following are the bids:

Bell, Gouinlock & Co.	99.63
J. M. Robinson & Sons	99.52
C. H. Burgess & Co.	99.34
Eastern Securities Corp.	99.27
Wood, Gundy & Co.	98.89
Mead & Co.	98.86

SHAWINIGAN FALLS, QUE.

An issue of $59,000, City of Shawinigan Falls, five per cent. bonds, due November 1, 1948-61 has been awarded to L. G. Beaubien & Co., at 98.70. The bids were:

L. G. Beaubien & Co.	98.70
Can. Bank of Commerce	98.56
Wood, Gundy & Co.	98.56
Hanson Bros.	98.31
Dyment, Anderson & Co.	97.76
Mead & Co.	97.63
McLeod, Young, Weir & Co.	97.59
Dominion Securities	97.27
R. T. Leclerc, Inc.	97.00

CAP DE LA MADELEINE BONDS

Lagueux & Darveau have been awarded an issue of $110,000 Cap de la Madeleine, Que., five per cent., 30-year school bonds, on a bid of 97.52. The bids were:

Lagueux & Darveau	97.52
La Corporation de Prets de Quebec	96.87
Normand & Halin	96.265
Credit Anglo-Francais	96.265
La Corp. des Obligations Municipales	94.88
L. G. Beaubien & Cie	94.88
Versailles, Vidricaire, Boulais	94.56
Bray, Caron & Dube	93.28
Credit Canadien Inc.	93.28

UNLISTED BONDS

Abitibi 6% 1940	102¾	..
Algoma Steel 5% 1962	29¼	30½
Belding 5% 1936	89	..
Belgo Can. Paper 6% 1943	100	100¾
Burns, P & Co. 6½% 1943	103⅛	104
Can. National Rly. 5% 1954	101	101⅝
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942	104¾	..
Can. Pacific Rly. 5% 1934	99¾	100⅛
Can. Pacific Rly. 5½% 1944	93	94
Can. Steel Foundries 6% 1936	102	..
Dom. Iron 5% 1939	..	40
Dom. Textile 6% 1949	106¾	..
Frontenac Brewery 6% 1951	98	..
H. Smith Paper, 7% 1941	100	100⅝
Laurentide Power 5% 1946	100	..
Laurentian Power 6% 1936	101	101½
Prov. of Ontario 5% 1948	101	102
Ontario Pulp 6% 1931	106¾	..
Price Bros. 6% 1943	103¼	103¾
Quebec Power 6% 1953	103¾	..
Winnipeg Elec. 6% 1954	95¾	96⅝
St. Maurice Power 6½% 1953	108½	..
Jam. Pub. Service 6½% 1943	102½	103½
Span. River P. 8% 1941	..	108

Stimson's Put Investment Trust Expert on Board

G. A. Stimson & Co., announce the appointment of Lawrence E. Clark as vice-president and director. Mr. Clark has been in the commercial and investment banking business for many years. He was with the Guaranty Trust Co., of New York, and was vice-president of the Brotherhood National Bank of Cleveland for some years. While in the latter capacity, he purchased many securities from G. A. Stimson & Co., and in that way made the contact.

Mr. Clark has made an extensive study of investment trusts, both in London and New York. He will devote a great deal of his time to the furtherance of that end of the business.

ANTICOSTI BONDS HAVE UNIQUE GUARANTEE

Parent Companies Must Pay Enough Annually to More Than Protect Bonds

Offering of $6,000,000 of bonds of the Anticosti Corporation this week brought within the range of investment interest the recent purchase of Anticosti Island by three Quebec paper companies which intend to utilize the island as a pulpwood reserve for their mills.

Offering was made by Wood, Gundy & Co., Bonds bearing 6½ per cent. interest and maturing in 1941 were offered at par, yielding 6.50 per cent.

Interesting terms to secure the payment of interest on the bonds were announced with the offering. Bonds are a direct obligation of the company, secured by a first mortgage on all the assets. Chief asset is the island itself which contains 3,100 square miles and has 15,000,000 cords of pulpwood of immense present and potential value. In addition, the three parent companies, St. Maurice Valley Corporation, Wayagamack Pulp and Paper Co. and Port Alfred Pulp and Paper Corporation jointly and severally agree to purchase a minimum of 390,000 cords of pulpwood during each of the next three years and 420,000 cords each year thereafter; and to pay the Anticosti Corporation all operating expenses plus $2.40 per cord for pulpwood. This is equivalent to the present stumpage fee of $1.40 in Quebec, plus $1 depletion.

The pulpwood to be taken is about one half of the requirements of the three companies. Annual requirements of the companies, allowing for present plant extensions is 322,500 cords in the case of St. Maurice; 165,000 cords for Wayagamack and 260,000 cords for Port Alfred, as against 130,000 cords apiece to be presently taken from Anticosti Corporation. The total requirements of the three companies are 737,500 cords against 390,000 cords contracted for.

In quantity of pulpwood, intensity of growth, rapidity of regrowth and accessibility to the pulp and paper manufacturing centres of Eastern Canada and United States, the Anticosti Corporation will occupy a position of unique advantage.

$6,000,000
The Anticosti Corporation

First mortgage 6½% sinking fund gold bonds.

Dated Aug. 15, 1926. Due Aug. 15, 1941.

Property—Anticosti Island, in St. Lawrence River, with area of 3,100 square miles and containing 15,000,000 cords of pulpwood.

Assets—Pulpwood estimated to have value of $15,000,000.

Security—First mortgage; also secured by joint and several agreements with St. Maurice Valley Corp.; Wayagamack Pulp & Paper Co. and Port Alfred Pulp & Paper Corp., to buy 390,000, and later 420,000 cords of wood annually and to pay all operating expenses plus $2.80 a cord.

Earnings—Estimated on basis of contract to $936,000 annually, in first three years and $1,008,000 thereafter, after deducting operating expenses and depreciation.

Sinking Fund—Commencing Dec. 31, 1927, $120,000 annually plus, commencing Dec. 31, 1929, half of further net earnings.

Capitalization	Authorized	Issued
First Mortgage bonds	$10,000,000	$6,000,000
7% cum. pref. shares	6,000,000	3,000,000
Common (no par)	60,000 shs.	60,000 shs.

Offered—August, 1926, by Wood, Gundy & Co., 36 King St. West, Toronto, at 100, yielding 6.50 per cent.

July Bond Sales

Bond sales in Canada for the month of July totalled $58,205,534, as compared with a total of $59,290,123 for the month of June. Following are the figures for July:

Municipal	$4,950,267
Provincial	5,250,267
Corporation	48,005,000
Total	$58,205,534

W. Maurice Hodgson has severed his connection with the firm of Williams, Partridge & Hodgson, investment dealers, 171 St. James St., Montreal.

HAMILTON, WARNER & Co.
BONDS
Government
Municipal
Corporation
Transportation Bldg.
MONTREAL

West India Products Corp. Sells Short Term Bonds

Aiming to take advantage of the West Indies trade agreement a new company has formed in Montreal, called West India Products Corporation, to sell Canadian goods in the West Indies and West Indian products in Canada. The company is a merger of Canadian Suppliers Company and West India Fruit Company.

Financing of the company is being undertaken by Credit Canada, Ltee, of Montreal, which is offering $300,000 of five year collateral bonds. The two companies were organized some time ago by P. R. Cumming, of Kingston, who will be the president of the new company.

$300,000
West India Products Corporation

Seven per cent. collateral gold bonds. Dated July 1, 1926. Due July 1, 1931.

Company—Merger of two established companies. Will represent Canadian firms in the West Indies and market West India products in Canada.

Purpose of Issue—To provide funds to extend company's business and erect packing plants and warehouses in B. W. I.

Earnings—Net earnings for first year estimated at $100,000.

Conversion Privilege—Bonds may be converted up to July 31, 1926, into common stock at 15 shares of common for $100 bond.

Capitalization	Authorized	to be Issued
7% collateral bonds	$500,000	$300,000
7% Non-cum. pref. $25 par	300,000	150,000
Common, no par value	200,000 shs.	200,000 shs.

150,000 shares held in escrow.

Offered—August, 1926, by Credit Canada, Ltee., 120 St. James Street, Montreal, at par, with bonus of 10 shares of common stock.

Quebec Will Redeem Six Million Bond Issue Soon

Announcing a surplus of $1,520,147 for the fiscal year, ended June 30 last, Quebec's provincial treasurer, Hon. Jacob Nicol, stated that it was the intention of the province to redeem in November next an issue of $6,000,000, 5½ bonds, on which an option for redemption exists. These bonds are succession duty-free and bear a high rate of interest.

Surplus on liquor sales was announced to be $5,081,877, a big increase.

WEST INDIES BOAT SERVICE PROBLEM FOR NEW CABINET

(Continued from page 1)

the Canadian taxpayer heavily without any return. The consumption of sugar in Canada is from 350,000 to 450,000 tons per annum. Assuming we purchased this all from the British West Indies, it would mean that the customs receipts of the Dominion would be sacrificed to the extent of $7,000,000 per year without giving the Canadian consumer his sugar one cent cheaper than if we bought our raw supplies elsewhere. Furthermore, the cost of providing the proposed steamship service on both the eastern and western routes will be several millions, probably three millions, more, per annum. All we receive of practical value in return is the preference on Canadian flour which may be worth one million dollars a year, but no more. Beyond this, it is argued, the preference is worth little, because on manufactured goods the same preference is extended to England, while on fish it is also extended to Newfoundland, our great competitor.

Generally, though, the Maritimes is satisfied with the treaty since it is a recognition of the fact that the important markets for Atlantic Canada's goods is in the West Indies.

BONDS FOR INVESTMENT
HOUSSER, WOOD & CO.
LIMITED
Investment Bankers
ROYAL BANK BLDG. TORONTO

DOMINION POWER
PREFERRED AND COMMON
Bought and Sold
Browning, Harris, Denman & Co.
LIMITED
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31 Main Street E., HAMILTON
Toronto Private Line Adel. 8866.
Offices at London and Belleville.

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Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
46 King St. W., Toronto

GOVERNMENT
and
MUNICIPAL
BONDS
W.L.McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
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Town of Chicoutimi
5% Serial Bonds
1927 - 1956
Denominations of $500

The Town of Chicoutimi is surrounded by one of the richest agricultural regions in the Province of Quebec, and is the economic centre of the Saguenay and Lake St. John district. This region has abundant forests, water power, navigable rivers and a large natural harbour.

Among the Companies who have already taken advantage of these resources are the Quebec Pulp & Paper Co., Price Bros., Port Alfred Pulp & Paper, Duke-Price Power and the Aluminum Company of Canada.

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$650,000.00

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Greater Pack at Higher Prices

Owing to the international demand for British Columbia salmon, prices for this year's pack will be 10 to 20 per cent in advance of former years.

This, combined with the fine pack reported from the coast, has a direct bearing on the recent issue of the Gosse Packing Company, one of the largest companies operating on the coast.

We have issued a booklet, "Salmon Canning," thoroughly describing the industry and the issue.

A copy will be sent on request.

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MONTREAL OTTAWA
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Municipal and Provincial Finance

TORONTO INVESTS MILLIONS IN CIVIC OWNED BUSINESS

$86,000,000 Put Into Utilities and Similar Enterprises

Toronto, as a city, owns more business enterprises than the average municipal corporation. Some of the lines of business in which the city of Toronto is engaged are the following:

Street railway.
Bus lines.
Sight seeing tours.
Radial railways.
Light and power system.
Waterworks.
Fall fair.
Winter fair.
Coliseum.
Housing.
Ferries.
Real estate.
Amusement park.
Abattoir.

The various civic enterprises are described by George H. Ross, finance commissioner, in his annual report. In part Mr. Ross says:

"The city has invested $86,111,475 in its various public utilities. The rapid increase in the city's public utility debt in recent years was due to the cost of acquiring and rehabilitating the Toronto Street Railway, and also to Toronto's participation in the "clean-up" deal. As financing in connection with these two large undertakings was completed in 1924, the 1925 figures show a decided decrease.

Street Railway System

"Public ownership has been more than justified in the operation by the Toronto Transportation Commission of Toronto's surface street railways. Although most inadequately served prior to 1921, the citizens now possess a system that cannot be surpassed on the American continent. The commission consists of a board of able business men, serving without remuneration, who direct the general policies of the system. Under them is a capable staff of experienced executives, who are entrusted with the actual management of the utility. So successful has this plan proved that this public service utility, in operation only about four and a half years, has shown a healthy annual profit, in addition to paying all debt and maintenance charges. Net operating income in the last published report of the commission (December 31st, 1925) was $4,239,088. The amount carried to surplus account, after making all necessary provisions for essential reserves, was $58,064. Total reserves at the end of 1925, including debt redemption and surplus, amounted to $7,281,132.

"Thoroughly alive to any possibility of improving the already excellent service afforded the community, the commission is now operating a number of bus lines as feeders to the general system. These large and luxuriously appointed buses, running through residential districts, are filling a long felt want. (The buses now run out of town on sight-seeing tours.—Editor.)

"Organized competition cannot endanger the successful operation of this utility as the city has absolute control of its streets.

Electric Light and Power

"Control and distribution of electric light and power within the city limits is handled exclusively by the Toronto Hydro-Electric System. The policies of this utility are directed by a commission of three members, one appointed by the city council and one by the Hydro-Electric Power Commission of Ontario, while the mayor acts ex officio. Power generated at Niagara is received at the city limits from the Provincial Hydro-Electric Power Commission and is then distributed by the Toronto system to the users, practically on a cost basis. The advantages to the community of such low rates are inestimable.

"The success of the Toronto Hydro-Electric System is unique. The gross capital investment was $28,270,965 as at December 31st, 1925, against which there were City of Toronto debentures outstanding to the extent of $21,706,621 and total reserves of $9,210,185. These reserves provide, not only for full debt redemption, but for the replacement of all machinery and equipment. That is, the Hydro, in addition to paying off the debt on the present system, is accumulating a renewals fund which will replace the system entirely at the end of its useful lifetime. Since 1911, when the Hydro assumed control of Toronto's light and power distribution, debt retired totals almost $1,500,000. After caring for all these charges in 1925 a balance of $81,382 was carried to surplus account. All this is being accomplished at unusually low rates. In short, after paying all carrying charges the present day users are virtually bequeathing to subsequent generations a debt-free power system. This showing is one that should make Toronto citizens proud of their publicly owner enterprises.

"Few cities can boast of a finer waterworks system than Toronto. Pure water in unlimited quantities has proved a great factor in making it one of the healthiest cities on the continent. Combining high efficiency with low costs, the Toronto waterworks system has always given the utmost satisfaction. This utility, so essential to the welfare of the community, represents an original investment of $20,111,974. During the past eight years over $1,000,000 of debt has been retired at maturity in the regular way, and in addition a substantial sum has been retired before maturity. Each civic department or commission is charged for all water used and such privileges as free water for civic services are unknown.

"A proper charge is also made for the cost of operation of a high pressure system for fire protection, as well as for water supplied for street cleaning, flushing, etc. The net result of the 1925 operations, after all charges had been met, was a surplus of $794,579. This surplus was applied in abatement of 1926 taxes and served to reduce the tax rate by almost one mill.

"The Canadian National Exhibition, primarily commenced forty-eight years ago as a local fair, has rapidly developed into the world's largest annual exposition. The value to Toronto of such an asset is obvious, when it is known that the annual attendance is in the neighborhood of one and a half million paid admissions.

"Management of the Exhibition is entrusted to a board of capable business men known as The Canadian National Exhibition Association. Attractive buildings have been erected for the purposes of the exhibition on improved park lands ideally situated on the waterfront. The association leases these beautiful grounds from the city for the two weeks while the exhibition is in progress. Throughout the rest of the year Exhibition Park is open to the public. All revenue in excess of operating expenses is turned over to the city. For the past few years this excess has been more than sufficient to pay all debt and maintenance charges and still leave a substantial surplus.

Still Another Fair

"Toronto's gorgeous Autumn festival, The Royal Winter Fair, has rapidly attained distinction as the world's foremost indoor livestock and agricultural exhibition. The Coliseum, a huge structure with a seating capacity of 10,000, was erected specially by the city in Exhibition Park for the purposes of the fair.

"Its primary object the improvement of livestock and agriculture in Canada, it has become an educational institution of international appeal. Each year of its short life has resulted in new successes, and the association in charge deserves great credit.

The acuteness of the housing problem, following the war, prompted the city to construct 240 moderately priced houses, to relieve the situation. These were quickly disposed of under agreements of sale, whereby the purchaser pays the city slightly less than $25 a month for twenty years. At the end of this time ownership will vest in the purchaser. The total cost of this scheme, which the city financed by issuing twenty year serial bonds, was $948,000. The project has been highly satisfactory in every way.

"In addition to its direct debt of $164,000,000, the city has certain contingent liabilities, arising from its connection with several public service enterprises.

Toronto Harbor Commission

"By act of parliament there was created in 1911 'The Toronto Harbour Commissioners,' to which body were entrusted the development and improvement of Toronto's waterfront. With the exception of certain properties required by the corporation, all harbour lands then owned by the city proper were transferred to the new commission and to-day there is vested in them practically all the water lots across the entire length of the city, a matter of twelve miles.

"An extensive reclamation scheme was undertaken, which contemplated the creation of 2,200 acres of new land. Sand from the bay was pumped in behind retaining walls and valuable land thus created. By this simple process the necessary dredging of the harbour was also accomplished. All told, 982 acres of land have already been made or reclaimed, of which 616 acres are for industrial sites and 366 acres for park purposes. The harbour facilities are most modern and adequate for lake and ocean going vessels. With the exception of certain filling, necessary to the construction of the viaduct, the inside harbour scheme is nearly completed.

"The commissioners were empowered, under the act, to issue bonds, secured by a first mortgage on all properties vested in them. As further security these bonds were unconditionally guaranteed by the City of Toronto. The mortgage deed provides for an issue of $25,000,000 and all these bonds have now been marketed.

Another Housing Proposition

"Under legislation passed in 1913, municipalities were empowered to guarantee bonds of companies formed to provide housing accommodation. This guarantee was limited to 85 per cent. of the value of the lands and buildings held by such companies. Under this statute the Toronto Housing Company, Limited, was incorporated and bonds of the company to the extent of $850,000 were guaranteed by the city. At the end of 1925 the entire amount had been issued. The deed provides for an adequate sinking fund to retire the bonds at maturity, and the operation of this fund is in the hands of a trust company. The sinking fund to date has purchased $60,000 of the company's bonds, leaving a balance of $790,000 outstanding. The company now operates some 334 five-roomed apartments, all of which are in excellent condition and rented.

"The Toronto Housing Company, Limited, should not be confused with the Toronto Housing Commission.

Three Inter-Urban Lines

"Under what is known as the 'clean-up' deal, the Hydro-Electric Power Commission of Ontario purchased all the water powers, power houses, plant, equipment and transmission lines of the power companies owned or controlled by the Toronto Railway Company. In this transaction the city secured certain assets which have since been merged into and become part of the Toronto Hydro-Electric System.

"In the same connection the city took over three radial lines extending north, east and west from the city limits. These radials, while owned by the city, are operated by the Hydro-Electric Power Commission of Ontario under an agreement between the city and that body. The purchase of these radials were financed by an issue of bonds of the Hydro-Electric Power Commission of Ontario, guaranteed by the Province of Ontario to the extent of $2,375,000 and secured by a like amount of City of Toronto bonds deposited with the Hydro-Electric Power Commission of Ontario. Capital financing for equipment and betterments required an additional $1,200,000.

"Under the present arrangement the Hydro-Electric Power Commission of Ontario is operating three separate and unconnected sections of suburban railroad. Not only is the rolling stock not interchangeable, but three separate repair shops must be maintained.

"Arrangements are now being made whereby the operation of these roads will be relinquished by the Hydro-Electric Power Commission and management vested in the Toronto Transportation Commission. The roads will then be connected with the civic system, so that interchange of both passengers and rolling stock will be possible. The change should prove beneficial to both urban and suburban systems. Further economies are also anticipated through placing all the city-owned surface railroads, both in and outside the city, under one central management. Under the new arrangement it is hoped that operating deficits, such as have been experienced in the last few years, will disappear entirely.

"Some years ago it was proposed to build a high speed radial line, running west from Toronto through to Niagara Falls. Toronto, in common with all the other municipalities affected, became financially interested in the enterprise, which was to be owned and managed by the Hydro-Electric Power Commission of Ontario. In accordance with the terms of the agreement, the city in 1920 deposited with the commission $4,240,000 of 50 year bonds, as its share of the estimated cost. Since then the legislation authorizing the undertaking has been repealed and the city's bonds will in due course be returned."

BOND MOVEMENTS OF THE WEEK

Week Ending Aug. 3

Bonds—	Int. Rate	Due	Yield	Range. 1925 High	1925 Low	Range, 1926 High	Range, 1926 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, G. M.	6	1956	7.42	..	...	84⅝	81¾	...	81¾	83	81¾
Asbestos	5	1942	5.28	100	84¼	98	92	...	...	97	...
Dominion Iron	5	1929	...	94	86	92	70½	73½	73	73	..
Montreal Tram. (a)..	5	1955	5.44	98	92¾	95	92½	93⅞	...	93⅞	93
Montreal Trams.	5	1941	5.19	98	94⅜	98½	97	...	98¼	98¼	...
Span. River	6	1931	4.53	..	...	106¾	...	...	...	106¾	...
War Loan	5	1931	4.77	102.65	101.10	102.40	101.00	101.15	101.00	101.15	101.00
Do.	5	1937	4.62	104.95	103.80	104.65	103.35	103.85	103.50	103.85	103.40
Victory Loan	5½	1927	4.68	103.15	101.70	101.75	100.40	101.00	100.60	100.65	100.40
Do.	5½	1933	4.73	107.00	105.10	106.80	104.20	104.40	104.35	104.50	104.20
Do.	5½	1934	4.98	104.80	103.20	104.10	103.10	103.25	103.20	103.40	103.10
Do.	5½	1937	4.69	110.00	108.15	109.30	107.35	107.70	107.50	107.85	107.35
Do., Renewal	5½	1927	4.85	102.95	100.80	101.95	100.25	101.00	100.65	100.65	100.40
Do. Renewal	5½	1932	5.01	104.20	102.60	103.40	102.00	102.80	102.45	102.50	102.25
Do. Refund	5	1928	4.73	104.45	100.15	101.30	100.00	100.40	100.10	100.30	100.10
Do. Refund	4½	1940	4.86	97.25	92.00	96.70	95.60	96.55	96.10	96.45	96.35
Do. Refund	5	1943	4.88	102.95	101.15	102.20	101.15	101.90	101.80	101.90	101.30
Do. Refund	4½	1944	4.81	97.65	96.20	97.15	95.80	96.50	96.15	96.40	96.15
Do. Refund	4½	1946	4.79	..	....	96.45	95.65	96.40	96.10	96.45	96.05

WEEKLY RECORD OF CANADIAN FINANCING

Place	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Bond Sales—		**Municipal**					
Minto Twp.	July	C. H. Burgess & Co.	5%	15-ins.	$7,414	99.17	...
Sask. Schools and Phones	July	Various	....	....	38,725	....	...
Gracefield, Que.	July	Versailles, Vidricaire, Boulais	5½%	1945	9,000	98.07	....
Cap de la Madeleine	July	Lagueux & Darveau	5%	1956	110,000	97.52	5.16
Halifax	July	Wood, Gundy, Eastern Securities, Royal Bank	5%	....	1,500,000	99.60	...
Shawinigan Falls	July	L. G. Beaubien & Co.	5%	1948-61	59,000	98.70	5.08
Longueuil, Que.	July	A. E. Ames & Co.	5%	1936	57,600	98.29	5.23
Fredericton, N.B.	Aug.	Bell, Gouinlock & Co.	....	....	25,000	99.63	...
		Provincial					
Nova Scotia	July	Bank of Commerce and Royal Bank	4½%	10 mos.	2,500,000	100	...
		Corporation					
Appleby School, Oakville	July	....	5%	....	150,000	100	...
Anticosti Corporation	Aug.	Wood, Gundy & Co.	6½%	1941	6,000,000	100	6.50
Stock Issues—							
Cosmos Imperial Mills	Aug.	A. E. Ames & Co.	7%	Pref.	1,500,000	100	....
Goodyear Cotton Co.	Aug.	Dickson, Jolliffe & Co.	7%	Pref.	475,000	99	7.07

$10,000 in 10 years

By the systematic saving and investing at 6% of $60.00 per month, a sum of $10,000.00 can be acquired in 10 years.

Larger or smaller monthly payments will bring the same proportionate results.

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MAIN 8542

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Bonds of larger Canadian Municipalities may still be bought to yield from 4¾% to 5.10%.

Besides being "legal" for trust funds, they should be bought by those to whom safety of principal is imperative.

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227 Bay St., • Toronto

Tenders and By-laws

August 9th—Hawkesbury—$19,986, 6 per cent., debentures due 1926-45. J. O. Bertrand, Clerk, Treas. (See announcement on page 16.)

August 11th—City of Joliette, P.Q.—$50,000, 5 per cent., serial bonds. A. L. Marsolais, Sec.-Treas.

August—Village of l'Enfant Jesus, Que.—$26,000, 5½ per cent. bonds, redeemable in 20 years.

August—School Commission of Ste. Philomene, Que.—$8,000 bonds.

SASKATCHEWAN

Authorizations Granted by the Local Government Board

Schools—Budweis, No. 2698, $2,700; Rama, No. 2249, $2,400; Brush Valley, No. 3230, $700; Inkster, No. 4657, $2,000; Dana, No. 2900, $1,000; McTavish, No. 1165, $1,500; Beechy, No. 449, $5,000; Bergthal, R. T. Co., $300; Grasswood, R. T. Co., $1,550; Montmartre Village, $800; Lampman Village, $1,800; Winslow, R. M. No. 319, $3,500; Assiniboia Union Hosp., $35,500.

Debentures Reported Sold

Fielding S.D., No. 1462, $10,000, 15 years, six per cent., S. Miller, Fielding; Vickers S.D. No. 678, $760, six years, six per cent., Cross & Co., Regina; Athol S.D. No. 1990, $980, eight years, 6½ per cent., Cross & Co., Regina; Lacadia R.T. Co., $6,000, 15 years, six per cent., T. Taylor, Regina; Meadow Prairie R.T., $3,485, 15 years, 5⅞ per cent., F. Miles, Regina; Denholm R.T. Co., $17,500, 15 years, 5¾ per cent., Cross & Co., Regina.

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Announcement

Mr. W. Maurice Hodgson
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Gosse Packing Company, Limited

7% Cumulative Redeemable Sinking Fund Preferred Shares carrying a bonus of One Share Common with each Five Shares Preferred

Price: Par and accrued dividend, yielding 7%.

Fully descriptive circular upon request.

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VANCOUVER, B. C. VICTORIA, B. C. NANAIMO, B. C.

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Inherited Investments

There are many men and women who have inherited securities bought years ago and under conditions which do not exist today. The question whether it is wise to hold, sell or exchange can be answered only if the facts relating to each security are available.

We have an Investment Department for handling problems of this character, which you may consult freely, without obligation or cost to you.

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BETTER STANDARD CHEMICAL YEAR; SMALLER DEFICIT

Plans for Reorganization Still Further Deferred

Although there was considerable improvement in the affairs of the Standard Chemical Co. during the year ending 31st of March, when earnings were shown of $34,835, compared with an operating loss of $158,333 in the previous year, debenture interest and allowances for depreciation resulted in a deficit of $73,580 as the year's net result and the total deficit was increased to $930,484.

The following summary shows comparative results for the past three years and how over a period of nine years a substantial surplus has been wiped out and a large deficit created.

Profit and Loss

Yr. end. Mar. 31	1926	1925	1924
Profit	$ 34,835	*$158,333	$226,106
Depreciation ...	75,000	75,000	191,854
Int. on debs...	33,416	37,146	39,215
Net loss for yr.	$73,580	$270,479	$ 4,963
Prev. bal.	*856,904	*586,425	*581,462
	*$930,484	*$856,904	*$586,425

*Deficit.

Nine Years' Record

Year	Earnings	Dividends	Surplus
1917-18	$563,123	......	$154,402
1918-19	846,703	$126,094	283,779
1919-20	318,608	......	305,247
1920-21	340,327	......	138,279
1921-22	20,861	......	*624,088
1922-23	292,110	......	*591,461
1923-24	226,106	......	*586,424
1924-25	*158,333	......	*856,902
1925-26	34,835	......	*930,484

*Deficit.

In the previous two annual reports it has been suggested to the shareholders that it is advisable that some plan of capital reorganization be worked out, with the writing down of the company's stock and the writing off of useless plants. In regard to this suggested reorganization President N. L. Davies states that the directors have reached the conclusion that nothing would be gained by so taking action until the manufacturing plants have been reduced to the requirements of the markets available and the operations of the company have been placed upon a profitable basis.

Accumulated Dividends

The balance sheet shows assets of $6,051,160, of which $1,981,022 represents land, timber limits, plant and equipment and $1,870,724 good will. Current assets total $1,106,105, about half of which is represented by finished and partly finished products. Outstanding 7 per cent. cumulative preferred shares total $3,602,700 and common shares $1,250,000. No dividends have been paid on the preferred stock since June, 1914. Bonds outstanding total $678,729. Current liabilities total $166,220, while there are reserves for investments and contingencies of $353,510. The liability for twelve years dividends on the preferred shares amounts to 84 per cent. on the $3,602,700 outstanding, or $3,026,258. With this immense liability on the preferred shares, and in view of the fact that dividends are not being made under the present conditions, the desirability of some form of reorganization is evident.

During the past year the funded and mortgage debt was reduced by $81,863 and the current liabilities by $210,271, making a total reduction of $292,134. Current assets show a reduction of $217,122. The ratio of current assets to current liabilities stands at 6.6521.

During the year two of the company's plants were dismantled and the factory sites sold, resulting in a reduction of taxes, insurance and other overhead. In due course some other idle and uneconomical factories will be dismantled, which will mean a further curtailment in carrying charges. As a result of this policy and rigid economy in other directions a total saving of $90,000 per annum has already been effected. This policy is being followed out in view of the company's excesive production capacity which was created during the war when there was an abnormal demand for the company's products.

Past Year's Business

Regarding the business of the past year President Davies says:

The sales for the 12 months amounted to $1,517,395.00 and 39,754 cords of wood were carbonized. The decrease in both cases was foreshadowed in the last annual report. Foreign business declined considerably, especially in alcohol, owing to our inability to compete with the Synthetic product which was freely offered, particularly on the English market. The consequent smaller production of alcohol also affected the output of Acetate of Lime and Charcoal as the three commodities are produced simultaneously. The requirements of our charcoal trade could therefore not be met by the carbonization mentioned and the situation was overcome by the purchase of supplies from outside sources, thus enabling the company to retain in full this important branch of its business.

Standard Chemical was launched in 1911 as a consolidation of various wood chemical industries existing at that time and a chain of plants was acquired or built at various points in Ontario and Quebec. Prior to the war and during the war the company made good profits. Some of its products became munitions and were purchased freely by the Allies. After the war there were problems. Stocks of wood chemicals were to be liquidated and profits gradually dwindled. European producers cut into the market abroad. Many of the problems continue but, as indicated, there has been a distinct improvement. Directors of the company are: N. L. Davies, president, L. M. Wood, vice-president, Hon. Wallace Nesbitt, K. C., Robert Fleming, W. J. Sheppard, William Thomson, J. B. Tudhope and E. J. Bennett.

Insurance for Buyer and Seller

Fire Ratio in Ontario Lowest in Several Years

Foster's Report Also Shows Heavier Loss Ratio in Automobile Insurance — Rates Are Lower

A heavier loss ratio in the field of automobile insurance due to the tendency to lower rates and the drop in automobile prices, is one of the prominent features of the annual report of the Superintendent of Insurance for Ontario, issued this week. The average loss ratio was 47.1 during 1925 against 41.3 the year before. Rates for 1926 so far are substantially lower than for 1925 and it may be anticipated that this will result in a still higher loss ratio. At the end of the year 109 companies were licensed to transact automobile insurance in Ontario. Net loses amounted to $1,631,926.

In the field of fire insurance a decided improvement in fire waste is noted, in contrast with the situation in Canada and the United States at large, where the fire waste is on the increase. The 1925 ratio of 52.6 per cent. on the basis of net losses incurred to net premiums written, is the lowest ratio experienced for several years and is due to a decrease in losses rather than to increased rates. This represents a return to more satisfactory conditions in the fire insurance business. Net premiums written during 1925 amounted to $21,502,145 against $20,675,138 in 1924. Net losses last year were $11,301,644, against $13,093,135 the year before. This makes the loss ratio in 1924, 64.3 per cent. and last year, 52.6. There were 249 companies in the field and the amount of their insurance in force at the end of the year was $4,409,204,684. Out of this total, 152 joint stock companies were responsible for $3,553,515,973.

New Life Business Heavy

New life business issued in Ontario in 1925 amounted to $329,107,928 and other additions totalled $43,227,310. At the end of the year the amount in force was $1,597,392,805, which represents an increase of more than $160,000,000, or 11.3 per cent. over the total in force at the end of 1924. There were 46 companies in the field. Their total premium income was more than $53,500,000 last year, while disbursements to policyholders amounted to $28,000,000. This was distributed as follows:

Death claims	$ 8,145,856
Matured endowments	4,388,439
*Other payments to policyholders	15,408,863
	$27,943,158

*Includes surrender values, dividends, annuities, disability benefits, etc.

Other forms of insurance include that written by fraternal societies and casualty insurance other than automobile. There are 39 fraternal societies licensed to transact life insurance in the province. During 1925 they received in premiums, $4,629,538 and their total disbursements amounted to $3,731,832. The premiums received by casualty insurance companies outside the automobile field totalled $5,550,394 and net losses incurred amounted to $2,309,108, making a loss ratio of 41.6 per cent.

The report also draws attention to certain new legislation introduced during the past session of the Legislative Assembly in Toronto. The leading bill, No. 168, cited the Ontario Companies Act, 1926, amending the Companies Act, exempts provincial joint stock insurance companies from the provisions of section 16 which prohibits a corporation increasing the amount of its authorized capital stock until 90 per cent. of the authorized capital has been subscribed and 50 per cent. paid thereon. This bill was passed. Another bill, the Ontario Insurance Act, 1926, designed to effect miscellaneous amendments to the Ontario Insurance Act, 1924, was passed. Several other smaller bills, private and dealing with trade union and other problems, become law.

Record Group Policy is Written by Sun Life Co.

What appears to be a record in the field of group insurance in Canada has just been made by the issuing of a Sun Life policy to two thousand mill employees of Price Brothers Company. The policy carries accident and sickness clauses in addition to the regular death and total disability benefits, even though such accident or sickness may be occasioned by circumstances outside the control of the company.

Negotiations concerning the issuing of the policy were consummated this week when the policy was signed by Col. John H. Price, president, and H. Stevens, seretary-treasurer of the company. The provisions of the policy apply to all employees in the pulp and paper mill operated by the company at River Bend, Jonquieres and Kenogami, and to salaried employees who receive less than $2,000 a year. It is understood that the present policy is preliminary to a scheme under which all employees of the company will receive the benefits of group insurance.

The Sun Life, which recently acquired the holdings of the Cleveland Life Insurance Company, of Cleveland, Ohio, has also issued another group policy which takes its place among the largest ever written by any company, Canadian or otherwise. This was issued in favor of five thousand employees of the Cleveland American Steel and Wire Company, a subsidiary of the United States Steel Corporation, and the policy amounts to $5,000,000.

London Life Appoints Rogers to New Post

F. C. Rogers has been appointed assistant superintendent of industrial agencies of the London Life Insurance Co. Mr. Rogers has had a wide experience with sales organizations. He has at his credit about fifteen years' experience, acting first as a traveling man, later district manager and ultimately stepping up to the position of general sales manager, which position he filled for a number of years with marked success. After resigning from this position, he entered the employ of the London Life, starting on a debit, thus he has had all the thrills that come to the Industrial Life Insurance Agent in action.

Farmers Victimized by Clever Cheque Scheme

STRATFORD.—Some dozen farmers in this district have been victimized out of approximately $800 by a pair of bad-cheque artists, who apparently have operated successfully through a great part of western Ontario, and have repeatedly eluded capture.

Their mode of operation was quite simple so long as the farmer selected proved reasonable. They drove up to the farmhouse with a truck loaded with chicken crates, looked over the farmer's flock, made a deal with him for so many chickens and left the crates. This was usually toward the end of the week and the crooks arranged to come back for the chickens on the following Monday.

They came back about 4 o'clock, after the banks were closed, and, after loading the chickens, would tender a cheque drawn on a Toronto bank for payment. They talked so plausibly that in all instances which have come to the notice of the police the cheque was accepted and they drove off with the chickens to the nearest railway station, where they shipped the poultry to the border.

By the time the cheques were put through the farmers' bank account and returned from Toronto, the thieves were far away.

Firemen's Insurance Scheme is Suggested

The possibility and advisability of creating a fund which would permit the provincial Firemen's Association to govern the firemen's insurance were discussed at the annual convention of the Ontario Volunteer Firemen's Associatinn held at Brampton this week. Under the plan, it was suggested that the municipalities might pay the premiums they are already paying to various companies for insurance for their men, into the association fund until a reserve was created that would permit the association to carry on independently.

FOREST FIRES WORSE

The forest fire situation near Donald, B. C., is reported to be spreading rapidly in a southwesterly direction, and all efforts to bring the fire under control have failed. The new fire at Leachoil is still burning and is causing grave apprehension.

Fire-fighting crews have been augmented, and every effort is being made to check the advances of the fire. Very little information is available from the danger zone.

Insurance Personals

W. G. Wright, insurance adjustor, of Toronto, caught a 25 pound maskinonge in Lake Couchiching over the week end. The "lunge" was 46 inches long and was one of the largest caught in recent years. It took over two hours to land.

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

OFFICERS and DIRECTORS
W. H. Wardrope, K.C., Hamilton, Ont. - - *President*
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H. P. Kennedy - - Toronto
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Charles Bauckham
Secretary:
James R. Lovatt
THE
STERLING
TRUSTS
CORPORATION
10-12 East King St., TORONTO
Branch:—REGINA

WESTERN
ASSURANCE COMPANY
Incorporated 1851
Fire—Marine—Automobile—
Burglary—Guarantee
Assets Exceed $6,000,000.00
Security to Policyholders, $4,000,000.00.
HEAD OFFICE - TORONTO

Insurance
OF ALL KINDS
TRANSACTED
The Provident
ESTABLISHED
1905
Head Office:
THE PROVIDENT BUILDING
Corner Place d'Armes & St. James St.
MONTREAL
Tel. HArbour 3292-3-4-5-6-7

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina,
Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY Secretary
W. H. HUNTER President
ALEX. STEWART Treasurer

PAYING POWER

Under the heading of "payments to policyholders and beneficiaries" the Sun Life Assurance Company of Canada groups the amounts paid in death claims, proceeds of matured endowment policies, annuity payments, proceeds of surrendered policies, cash profits, disability claims and other payments.

In 1925 the Sun Life Assurance Company of Canada paid over thirty-five million dollars to its policyholders or their beneficiaries.

$219,239,000 Paid Since Organization.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

[Ad No. 1 in a series on Business Mortality]

How Long Does A Retail Business Live?

How long will *your* customers "live?" Below are "experience tables" compiled by the Bureau of Business Standards of the Shaw publications. They represent a study of thousands of cases.

Groceries .... 7.1 years
Hardware .... 7.9 years
Paints and wall-paper .... 6.7 years
Drugs .... 7.8 years
Books and stationery .... 6.9 years
Jewelry .... 7.2 years
Dry goods .... 6.9 years
Clothing .... 6.4 years
Boots and shoes .... 7.4 years
Furniture .... 6.8 years
General average for retail concerns .... 7.1 years

Manufacturers and Jobbers, the average life of your possible customers is only seven years. Many of them are undoubtedly at this dangerous age *right now*. You can't know exactly when they will fail, *nor can you prevent it*. But you *can* render yourself immune to the consequences—you *can* protect your own resources—with one of our policies of Credit Insurance.

CANADIAN DIVISION
The AMERICAN CREDIT
INDEMNITY COMPANY
of New York — J. F. McFadden, President
R. J. MULLEN, General Manager for Canada,
Toronto Office:
1702-08 Metropolitan Bldg.
Phone: Main 4316
Montreal Office:
Canada Cement Bldg.
Phone: Lancaster 3258
KR545

Northwestern Mutual Fire Association
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO
THE NORTHWESTERN MUTUAL
Starting as a mutual association of business men who were determined to reduce their insurance costs, it has grown so phenomenally that to-day it is one of the largest and most successful of the Mutual Insurance Companies.
Writing Fire Insurance at Cost. Assets $3,118,764.07.
Norman S. Jones, Manager for Canada. R. J. Mahony, Associate Manager.
All policies dividend paying and non-assessable.

Coupon Savings 20-Pay Life

The Northern is the only Canadian insurance company which offers the attractive new policy known as the Coupon Savings 20-Pay Life.

At age of 30 a $5,000 policy costs $185.50 a year. Dividend amounts to $24.75 at beginning of second year and increases substantially every year thereafter. Benefits are $5,000 for natural death, $10,000 for accidental death and $50 a month for total and permanent disability with all future premiums paid by the Company.

Write our Home Office for further information, or see your nearest Northern Life Agent.

The NORTHERN LIFE
ASSURANCE COMPANY OF CANADA
LONDON, ONTARIO — ESTABLISHED, 1897

THE STANDARD TRUSTS COMPANY
OF WINNIPEG, MANITOBA

INVITES the patronage of Western people as well as that of Eastern people having interests in the West requiring attention.

Nearly a quarter of a century in business, it was the first Trust Company to operate west of the Great Lakes, having its head offices there, and, with a Directorate of leading business men, well versed in Western affairs, it is capable of giving unquestionably good advice to all clients and patrons on matters fiduciary.

It is especially equipped to handle executorships, administrations, and trusts of all kinds, investments, rentals and other collections.

BRANCHES: SASKATOON, EDMONTON, LETHBRIDGE, VANCOUVER

ARE YOU A SALESMAN OR SALES MANAGER?

Always make your bow to a new customer by Long Distance

Some firms ALWAYS introduce a Salesman by Long Distance

THE BELL TELEPHONE COMPANY OF CANADA

Current Events in Banking World

Need for Merchandising Services of Banks Now Being Recognised

Some Suggestions for Midsummer Advertising for Banks Which Indicate the More Enterprising Ideas as to Services and the Selling Thereof Now Being Favored by Head Office

In various articles which have appeared on this page in recent years it has been suggested that Canadian banks have something to learn from American banks as to what they can render in the way of service and how such services can be sold to the public. Usually these suggestions have not been received with enthusiasm by head office officials who have taken the ground—although with decreasing conviction—that it is beneath the dignity of the banks to compete for business or to merchandise their services as a department store would sell its goods. However, as an indication of the changing attitude of the chief executives towards the more aggressive methods of getting after business, it will be interesting to bank men to read the following suggestions on "Midsummer Advertising for Banks," which appeared in the Commercial West of Minneapolis and have been sent on to the editor of this department by the assistant general manager of one of the bigger Canadian banks.—J. W. T.

Midsummer with its excessive heat invites us to take things easy. Nevertheless, it is a most propitious time for activity in bank advertising. Special opportunities present themselves at this time of the year, and if the bank is using window displays or lobby exhibits a larger audience is assured than at any other season.

One of the most appropriate midsummer exhibits is the bank lobby flower show, rapidly growing in favor and ranking high as a popularity builder. In Duluth, Minnesota, peonies flourish with particular vigor and beauty owing to soil and climatic conditions. To make Duluth "The City of Peonies" is the object of the annual peony show conducted by the First National Bank of Duluth in co-operation with the Peony Society of that city. It is an event to which interested peony growers of the community look forward with enthusiasm, knowing that the finest of peonies in all varieties will be shown and the city will have an opportunity to enjoy these showy blossoms in most attractive arrangement.

The peony show this year brought thousands of people to the First National Bank. The flowers were banked on long tables, making the lobby a mass of color. Entries were from every part of Duluth and guests came from all sections of the city. Previously to the peony show the bank had held a lobby exhibit of rare paintings loaned by a local collector. These were held over for the flower show and added interest and distinction to the event. An orchestra furnished music during the opening evening, when about five hundred people were guests of the bank.

First prize for the finest entry of peonies was awarded to E. L. Kimball. It was a silver trophy presented by the First National Bank. A number of cash prizes were awarded by the bank and many choice peony roots, given as prizes, were much appreciated.

Banks have found that interest in the development of community resources reflects to their credit and profit. Now, many of them are going a step further in *setting a goal* of civic beauty as the *purpose of at* least a part of their seasonal advertising. The First National Bank of Duluth, in making the annual peony show an institution, has established a tie of common interest and endeavor with people in every part of the city and has found this kind of publicity well worth while.

* * *

Turning to Account the Youngster's Time and Energy

There are many ways for children to earn small amounts of money in the summer time. Right direction of the superfluous energy that every small boy and girl has — which not even hot weather can diminish—is a work of real community benefit, and the banker who is still enough of a kid to put himself in the child's place and suggest practical ways for the youngster to earn a bit of change, who can talk with him as "man to man" about spending it so as to get the most for his money and can make thrift so attractive that the child will save part of his earnings, is accomplishing a big thing for the youth and the community. His reward will be a contribution to community thrift and the friendly relationship created with the child's parents and relatives. Some bankers who have carried on thrift campaigns with children even go so far as to say that the effort is repaid in accounts received by the bank and deposits increased. However, that may be, here is the plan; the basic idea of which is the thrift triangle; earning, spending and saving, all in proper relationship:

Arrange a window display of several hundred bright new pennies in a heap. (An amount to equal exactly a certain number of dollars.) In the centre front of the display space have three piles of 100 pennies each. To finish the display use savings pass books or coin banks.

A large poster should read:

HOW MANY DOLLARS ARE THERE HERE? ASK US ABOUT THE PENNY GUESSING CONTEST

A small poster may read:

BOYS AND GIRLS!
COME IN AND TELL US HOW YOU EARN AND SPEND YOUR PENNIES
WE WILL HELP YOU TO TURN THEM INTO DOLLARS

A bright electric light during the evening will attract unusual attention to the pennies.

Prizes for the successful or near successful guessers may be: First, a savings pass book with a three-dollar deposit; second, the same with a two-dollar deposit; third, the same with a one-dollar deposit, which will constitute the cost of your campaign.

If the invitation in your window is accepted by the children, it will mean a lot of effort on your part given to courteous and sympathetic attention to your young visitors. They will want your suggestions about making money and will have ideas of their own as to spending their small fortunes. Your part will be to show them that a nickel spent for an ice cream cone leaves nothing to show for the expenditure except an appetite for more cones, while a nickel saved may, in time, become a dollar, and the sum of several dollars will buy a

(Continued on page 16)

Staff Gossip

Merrick Warren has accepted a position on the staff of the Bank of Montreal, made vacant by the resignation of Ford McConnell.—Reporter, Gananoque.

* * *

Paul De Serres, of the Port Charles branch, Montreal, has been transferred to the local branch of the Bank of Montreal.—Standard, Shaunavan.

* * *

Walter Oliver, of the staff of the local branch of the Canadian Bank of Commerce, has been transferred to an Ottawa office.—Observer, Pembroke.

* * *

Ross Hunter of the Standard Bank staff at Cannington, has been moved to Port Burwell, Ont. Gordon Stuttaford takes his place at Cannington.—Gleaner, Cannington.

* * *

J. M. Armour, of Vancouver, has arrived here to join the staff of the Bank of Montreal, taking the place of J. W. Woods who, after a trip to Dawson, will join the head office of the bank in Vancouver.—News, Prince Rupert.

* * *

G. Taylor, of the staff of the Canadian Bank of Commerce in this city, has been transferred to the bank's branch at Charlottetown, P. E. I. His transfer comes in the way of a promotion.—Gleaner, Fredericton.

Georgia Failures Due to Lack of Bank Capital

The closing of a string of banks in Georgia is not regarded by New York bankers as a serious reflection of credit conditions in that part of the country, according to the New York Times. Most of the banks were comparatively small, and it was declared here that the failures were the natural result of attempting large operations on insufficient capital. A parallel was drawn with the conditions of a few years ago in the northwest, when many small banks failed following the deflation of war-time land values. The deflation in Florida real estate values is advanced as the primary reason of the Georgia developments. Bankers said that, while small bank failures were to be expected in the southeast, the general banking situation there was healthy. Most of the large banks there have not loaned on Florida real estate, but have placed their money in the New York money market and have withdrawn their funds as deposits decreased.

NEW BRANCH BANK

The Canadian Bank of Commerce has completed arrangements to open its sixth branch in the Border Cities. The new office will be located at 1410 London St., W., near Campbell Ave.

Weekly Bank Clearings

(In comparison with the same week last year)

Eastern Cities

	July 30, 1925	July 29, 1926
Halifax	$ 2,846,594	$ 2,862,257
St. John	2,725,506	2,867,836
Moncton	749,005	809,274
Sherbrooke	745,863	835,794
Quebec	5,298,438	5,724,466
Montreal	80,523,661	80,996,153
Ottawa	4,722,681	4,801,412
Kingston	658,310	676,421
Peterboro	630,500	713,020
Toronto	86,176,307	81,774,691
Hamilton	4,153,094	4,878,163
Brantford	854,182	1,037,675
London	1,920,879	2,180,891
Kitchener	888,672	834,671
Windsor	3,523,148	4,552,886
Total, East.	$196,417,355	$195,515,610

Western Cities

	July 30, 1925	July 29, 1926
Fort William	$ 703,955	$ 919,883
Winnipeg	39,316,200	43,652,938
Brandon	526,695	561,068
Regina	2,757,162	3,088,501
Saskatoon	1,555,977	2,369,153
Moose Jaw	879,657	982,754
Prince Albert	241,205	366,781
Lethbridge	625,462	509,207
Calgary	5,920,825	5,986,027
Edmonton	3,613,961	4,412,953
Medicine Hat	165,169	232,633
Vancouver	14,416,109	16,567,267
New Westminster	559,507	740,104
Victoria	1,689,572	1,930,091
Total, West.	$72,971,456	$82,318,860

Monthly Bank Clearings

(In comparison with same month last year).

Eastern Cities

	July, 1925	July, 1926
Halifax	$13,181,886	$15,424,060
St. John	12,170,108	12,215,074
Moncton	3,575,504	3,926,847
Sherbrooke	3,745,937	4,076,926
Quebec	26,494,374	30,342,302
Montreal	413,705,600	448,554,042
Ottawa	26,445,592	27,993,815
Kingston	3,356,853	3,672,060
Peterboro	3,605,495	3,734,377
Toronto	390,105,762	422,711,980
Hamilton	23,116,762	23,678,157
Brantford	5,176,603	5,179,232
London	11,836,906	11,965,073
Kitchener	4,412,623	4,059,376
Sarnia	....	3,100,886
Windsor	14,472,513	20,668,394
Chatham	....	3,125,375

Western Cities

	July, 1925	July, 1926
Fort William	$ 3,486,371	$ 4,108,905
Winnipeg	66,189	....
Brandon	2,800,946	2,759,905
Regina	15,325,506	17,509,990
Saskatoon	6,822,027	8,659,197
Moose Jaw	4,837,966	5,195,395
Prince Albert	....	1,629,081
Lethbridge	2,596,710	....
Calgary	29,984,711	....
Edmonton	18,874,649	21,072,277
Medicine Hat	1,392,944	1,344,179
Vancouver	69,790,571	75,669,048
Victoria	8,853,329	10,369,404
New Westminster	2,929,231	3,589,395

Examination Results Courses in Banking

The following candidates have been awarded the standing of Fellow of The Canadian 'Bankers' Association, with honors. They have passed in all six subjects of the Fellow's examination, obtaining sixty per cent. or over in each subject, and seventy-five per cent. or over on the aggregate. The list is in order of standing:

A. Clay (Nova Scotia), Toronto, Ont., N. Fowler (Montreal), Stratford, Ont., equal; H. H. Troop (Royal), Toronto, Ont.

Pass

(40 per cent. or over on each subject and 60 per cent. or over on the aggregate.)

York, N.Y.; C. T. Aulph (Montreal), London, Ont.; A. R. McFarlan, (Commerce), Re-
A. J. Lehman (Formerly Royal), New
gina, Sask.; R. A. Brossard (Weyburn), Weyburn, Sask.; G. A. McDougall, (Montreal), Waldron, Sask.; W. F. Granger (Commerce), Ladner, B.C.; A. J. Duthie (Commerce), Stony Plains, Man.; A. C. Mason (Royal), Toronto, Ont.; R. C. Abraham, (Standard), Toronto, Ont.; R. E. Emmett (Royal), Lac du Bonnet, Man.

The following candidates have been awarded the standing of Associate of The Canadian Bankers' Association, with honors. They have passed in all six subjects of the associates' examinations, obtaining sixty per cent. or over in each subject, and seventy-five per cent. or over on the aggregate. The list in order of standing:

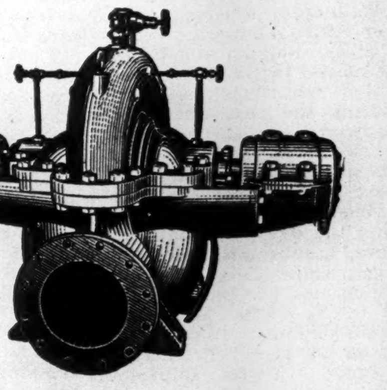
F. W. Smith (Commerce), Toronto. Ont.; W. A. Vallance (Dominion), Montreal, Que.; A. E. Grange (Weyburn), Weyburn, Sask.; S. C. Smith (Nova Scotia), Canning, N.S.; R. E. Johnston (Commerce), Pleasantdale, Sask.; E. W. Edge, (Dominion), Seaforth, Ont.; R. F. Garrard (Royal), Fruitland, Ont.; J. H. Davidson (Montreal), Hamilton, Ont.; W. D. Smith, (Royal), Rockwood, Ont.; J. W. McDiarmid (Imperial), Wetaskiwin, Alta.; L. A. Hannah (Nova Scotia), Vancouver, B.C.; W. E. Dufresne (Canadienne Nationale), Montreal, Que.; R. Slater (Dominion), Toronto, Ont.; D. S. Hart (Dominion), Montreal, Que.; Catherine Cahill (Commerce), Moncton, N.B.

Pass

(40 per cent. or over on each subject and 60 per cent. or over on the aggregate.)

H. P. Desborough (Nova Scotia), Kentville, N.S.; L. A. Palmer (Montreal), Lansdowne, Ont.; S. J. Young (Montreal), Yarker, Ont.; T. L. C. McMaster, (Nova Scotia), Vancouver, B.C.; R. P. Webb (Nova Scotia), London, Ont.; W. G. McLeish (Commerce), Parkhill, Ont.; R. G. Hicks, (Imperial), Vancouver, B.C.; H. T. Wallace (Dominion), Moose Jaw, Sask.; J. M. Gill (Standard), Toronto, Ont.; G. E. Taylor (Commerce), Stony Beach, Sask.; C. L. Drew (Nova Scotia), Liverpool, N.S.; K. S. King (Toronto), London, Ont.; D. G. Smith (Dominion), Montreal, Que., equal; J. G. Wadsworth (Weyburn), Readlyn, Sask.; A. S. Gillow (Royal), MacNutt, Sask.; K. L. Crowley (Nova Scotia), Catalina, Nfld.; L. R. Vachon (Commerce), Timmins, Ont.; A. E. W. Street (Nova Scotia), Toronto, Ont.; W. J. Keys, (Commerce), Wadena, Sask.; C. T. Walker (Imperial), Edmonton, Alta.; J. McCansh (Montreal), Vancouver, B.C.; A. R. B. Conrad (Commerce), Fredericton, N.B.; H. F. Whelan (Commerce), Peace River, Alta.; J. J. McEachren (Nova Scotia), Sydney, N.S.; W. K. Ross (Montreal), Ottawa, Ont.; P. F. P. Bird (Commerce), Williams Lake, B.C.; R. D. Brown (Montreal), Wainwright, Alta., A. S. Wagner (Imperial), Cottom, Ont., equal; R. A. Barron (Imperial), Niagara Falls, Ont.; W. Haynes (Nova Scotia), Burin, Nfld., J. A. Houghton (Imperial), Revelstoke, B.C., equal; H. O. Hallson (Standard), Winnipeg, Man., T. O. Roberts (Imperial), Toronto, Ont., equal; R. J. Mellin (Commerce), Nelson, B.C.; E. W. Webster (Toronto), Toronto, Ont.; I. F. Mercer (Commerce), Stavely, Alta.; W. J. Rightmyer (Commerce), Parry Sound, Ont.; N. Cortina, (Nova Scotia), San Pedro de Macoris, R.D., M. King (Dominion), Toronto, Ont., equal; J. B. Hawker (Royal), Niagara Falls, Ont.; C. A. Carter (Commerce), Hamilton, Ont.

4,000,000 GALLONS A DAY



Our illustration is drawn from an Inglis Centrifugal Pump (4,000,000 gallons per 24 hours) at Drifting Sand Pumping Station, Filtration Plant, Toronto.

The Inglis Centrifugal Pump such as pictured on the left is giving day-in-day-out 24 hour pumping service at the Drifting Sand Pumping Station, Filtration Plant, Toronto.

Perfectly built, hydraulically balanced, embodying only the simplest, trouble free designs, these pumps are demonstrating daily throughout the Dominion what 60 years of experience has taught the John Inglis Company about manufacturing and engineering.

Our Consultation Service is free. There is no obligation for advice on your engineering problems.

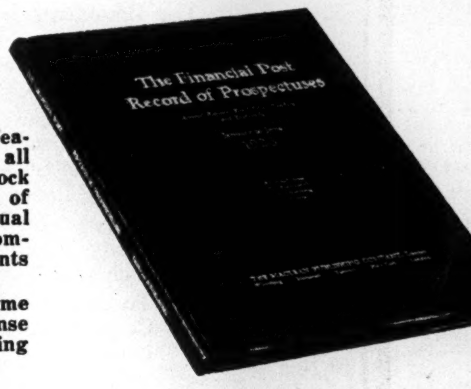
The John Inglis COMPANY LIMITED
14 STRACHAN AVENUE, TORONTO, ONT.
405 POWER BUILDING, MONTREAL, P.Q.

BIG WOOL CLIP IN ALBERTA

EDMONTON.—It is anticipated that the wool clip in southern Alberta will reach the 2,000,000 lb. mark this year. Of this, a million and a quarter pounds will be handled through the Canadian Co-operative wool growers association. The fleeces this year are stated to be unusually large.

A New Service for Canadian Banks

THE FINANCIAL POST
Record of Prospectuses
Annual Reports, Bond Sales, Tenders and Dividends



GIVING in detail the features and terms of all new bond and stock issues; annual reports of Canadian companies; annual addresses of bank, trust company and other presidents and general managers.

Incorporating in one volume information of immense value in financial or banking offices.

THIS new publication appears to fill a very definite need.

Questions arise continually as to the exact terms of an offering of stock or bonds. This publication, by reprinting the prospectuses of issues exactly as they run in The Financial Post, will be always available to give the desired information. Every important offering of new securities brought out in the first six months of 1926 will be published in this record to appear the middle of July.

In addition, annual statements of Canadian companies, banks, public utilities, industrial companies will be incorporated. Addresses delivered at annual meetings will be included and will provide a year to year record of the development of companies and the business history of the country. Tender notices of municipalities and dividend payment record will also be included. An important feature of this book will be a complete record of all bond sales made during the half year.

Obviously, The Financial Post Record of Prospectuses, etc., will have a wide value as a work of reference, eliminating as it does the necessity of keeping hundreds of offering circulars, annual statements, etc., in your files.

2 vols. yearly
Jan. to Jun.
Jul. to Dec.

The Record of Prospectuses is a handsome volume, 9 by 12 inches, and bound in red buckram with black leather back and corners. It will be beautifully stamped in gold leaf. Throughout, the volume is one of beauty and permanence. Successive volumes will constitute a record of ever growing value.

For your library The Financial Post Record of Prospectuses will be exceedingly valuable. It will save money now spent in keeping records. It will make these records permanent. Where are those files of prospectuses of even five years ago? The Financial Post Record of Prospectuses is being built to endure.

The first edition, covering the months of January to June, 1926, will be ready in a few days. Single copies, post-paid $5

Orders are now being accepted.
Single Copies $5.00
Five copies or more for banks, investment houses, etc., $4.00 per copy.

THE FINANCIAL POST,
143 University Avenue,
Toronto, 2.

Send me .... copies of The Financial Post's Record of Prospectuses, January to June, 1926.

I enclose ....

Bank or Official ....

Address ....

CANADIAN SERVICE FROM MONTREAL

Weekly sailings for Plymouth, Cherbourg, London. Regular sailings for Liverpool — new oil-burning ships. No soot. No dust.

Cunard
ANCHOR-DONALDSON LINE

Particulars from
The ROBERT REFORD CO.
Limited
TORONTO
(*Phone Elgin 3471*)
or any STEAMSHIP AGENT

2 for 25¢

Other sizes of Preferred

Coronas 25c Palmas 3 for 50c
Perfectos 15c Triangulares 15c
Epicures 2 for 25c Conchas 10c

A size to suit every taste and pocket

TUCKETTS PREFERRED PANETELA

24

GLASS of all descriptions

All kinds of flat glass available

For immediate delivery and in large quantities.

Case goods, fancy glass, wire inlaid, leaded, plain, striped or prismatic, colored, church glass, etc.

Also sole manufacturers

NON-SHATTERABLE PERFECT VISION BULLET PROOF GLASS

PERFECTION GLASS COMPANY
201 Inspector St. LIMITED MONTREAL

The Foreign Exchanges

Conducted by S. J. ZACKS.

A remarkable advance in Belgian, French, and Italian exchanges featured the markets this week. French francs on Wednesday touched a high of $.0299 or $.0104 above the recent low of all times. Belgian and Italian currencies moved with the French franc in this sensational recovery. Sterling during the past week continued steady and almost unchanged, while the recent strength of Canadian funds was not sustained. U. S. funds closed at 5/32 per cent. discount on Wednesday and had sold lower during the day. The Japanese yen registered a substantial gain during the week while Hong Kong sold off. Brazilian also sold up.

A total of $4,500,000 constituted the total gold shipments to date from New York on the recent firmness of Canadian funds. These shipments were made largely by Canadian banks for the improvement of their month-end statement. Power financing has also been a contributory factor in these gold shipments. Canada usually receives large gold shipments in the autumn when Canada is exporting her wheat and other commodities, while gold normally flows back in the winter. Canada's return to a gold standard will doubtless minimize the extent of the flow of gold, since there will be greater stability of the exchange rates.

Government purchases of the franc and heavy short coverings are the principal factors responsible for the rise of the franc. The senators' approval of Poincare's financial bill too gave strength to the franc, while news of the reduction of 1,500,000,000 lire in the Italian national debt, as a result of budgetary surplus, provided a stimulating factor for the lire. Poincare is continuing to meet with success in his endeavor to restore the franc. It is his intention to place all foreign exchange operations under the wing of the Bank of France. The Bank of France by a new bill will be permitted to buy gold bullion and stable foreign currency with French francs at the current exchange and the bank will be able to increase the note issue with gold as a basis. The aim of this move is to enable the Bank of France to manoeuve currencies in defense of the franc.

An interesting observation is made in the Midland Bank's monthly review upon "a pair of closely related metamorphoses in currency practice and management" in European countries. The first is the substitution of notes for gold coin in public circulation. This practice is best exemplified in England. In some countries it has been aided by law, in others it is a natural development following heavy depreciation of paper currency issues. A reserve in the pockets of the people earns nothing, wears away, and is inefficient because it has to be collected before it can perform its reserve functions. The new practice is therefore a welcome one. Secondly many smaller countries "have substituted stable foreign exchange values for gold as the ultimate reserve against currency and banking liabilities." In other words, reserve balances are held in the foreign banks of countries with a stabilized currency. These assets are realizable on demand, bear interest, and effect economies in the world's gold supply.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 29	3-16	3-16	1-8	9-64
July 30	5-32	3-16	7-64	1-8
July 31	9-64	5-32	3-32	7-64
Aug. 2	....	....	....	....
Aug. 3	1-8	9-64	1-32	1-16
Aug. 4	1-8	5-32	1-32	1-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 29	4.85 15/16	2.39¼	3.26¾
July 30	4.85 21/32	2.39	3.22½
July 31	4.85¾	2.43	3.23
Aug. 2	4.85 15/16	2.63¾	3.25¾
Aug. 3	4.85⅞	2.72½	3.22¼
Aug. 4	4.85⅞	2.89¼	3.33½

FOREIGN EXCHANGE

Par		July 28	Aug. 4
19.30	Italian	3.23¼	3.34
23.82	German	23.78	23.77
32.45	Brazil	15.32	15.43
19.30	Belgium	2.43½	2.87
94.85	Japan	47.16	47.45

NEED FOR MERCHANDISING SERVICES OF BANKS NOW BEING RECOGNIZED

(Continued from page 15)

number of things dear to the heart of a boy or girl and not wholly perishable. Of course, you will have to buck the ice-cream-cone and pop-corn wagon; and the toy department of the ten-cent store, but competition makes keen business, it is said. The youngsters will take your time and learn something about your bank, but they are your future depositors and the ground is fertile for the sowing of thrift seed.

* * *

Cultivating Safety-Deposit-Box Prospects

The renting of safety deposit boxes is a particularly appropriate medium for bank advertising in summer. The First National Bank of Mankato, Minnesota, has used the following newspaper ad with good results:

> EVERLASTING PIRATES
>
> Do you know who they are? They are as old as Time. The yearly haul of each of them runs way into millions of dollars. They are:
>
> FIRE
> THEFT
> MISPLACEMENT
>
> You can't be sure of escaping any one of them for a minute unless you store your valuables in a safe deposit box in our burglar-proof, fire-proof vault.
>
> Rent Your Box—TO-DAY!

Many banks use advertisements calling the attention of vacationists to the advantages of owning a safety deposit box.

BIG HAY CROP IN EAST

HALIFAX. — Crop reports for the province indicate a heavy hay crop and field crops in good condition growing rapidly under present weather conditions. Fruit prospects are for a good crop. Pastures are in good condition.

THE NATION'S BUSINESS

(Continued from page 1)

there is probably no man who is more sought after for directorates because of his sound business ability and the confidence his name arouses among investors and with the public.

At Ottawa, he was consulted and trusted by Liberals. On one occasion his advice, in the national interest, saved Mackenzie King from a very serious tactical venture, which would have lost him many old-time Liberals.

There is a real emergency before the country to-day. Men like Mewburn are needed in both parties. Hamilton set a good example by sending Mewburn to Ottawa. It's other member, C. W. Bell, has character and ability and has shown unusual promise.

* * *

IN THE heat of election campaigns, men say things that they would not say in their more thoughtful moments; many statesmen become mere politicians. That being so, it is dangerous to take any man's election statement as the outline of his belief.

It is to be hoped that Hon. C. A. Dunning is not serious in asking British Columbia and the prairies to unite against the East. The subjugation of national interest to those of groups, blocs and sections has been the most poignantly unsatisfying feature of Canada's post-war history. Those who direct the thoughts of the masses have striven valiantly to weave a seamless and catholic fabric from the tribal woof and the illiberal provincial warp; national unity has become the country's watchword.

When Mr. Dunning asks British Columbia to march shoulder and shoulder politically with the prairies to work out policies to promote the demands of the "anti-Conservatives," "having particular reference to the parts of Canada from which they come," he is not measuring up to the high standard that Canada has come to expect of this able, stalwart western gentleman.

* * *

CANADA is at the parting of the ways and must choose between continuing the British connection or becoming entirely independent in the opinion of the Magazine of Wall Street, of New York, which sees in this question the important political issue of the moment in Canada. "Back of the shadows cast by these issues, always looms the enigma of the future relations between Canada and the United States," adds this American paper, publishing also a cartoon depicting young Miss Canada leaving her mother (Great Britain) to elope with the spry Uncle Sam.

The article has a size-up of the three political parties that is interesting:

"The Liberals, largely recruited from the French-Canadian population in the East, are led by Rt. Hon. William Lyon Mackenzie King, Harvard graduate and former head of the Rockefeller Foundation. Mr. King and his followers are opposed to the protectionist principle and are nationalist in sentiment; that is, they believe Canada ought to be entirely independent and free of British influence. They do not admit it so openly, but nevertheless all their policies are colored by this general objective.

"The Conservatives, a high tariff party, largely recruited from Canadians of British stock, especially in the province of Ontario, are led by the present Prime Minister, the Rt. Hon. Arthur Meighen, an able politician who cannot see a future for Canada except under the British aegis.

"The Progressives, still a minority party, are hostile to the East, and are for the farmer, first, last and all the time. They are free trade and quite sympathetic to the idea of a closer union with the United States. They are recruited from the great wheat provinces of the West and many of them are Americans, now naturalized Canadians."

Of greatest interest though is the viewpoint that while Canada is growing it is growing more slowly than it should; that the country lags, economically, behind the United States, due to lack of man power in the West, lack of capitalistic enterprise in French Canada and the inability of its leaders to agree on a common program.

The article runs Mackenzie King's picture as the staunch advocate of the policy of nationalism in Canada and quotes his views on the constitutional question.

ECONOMIC ADVISOR WANTED

An Association whose members do a national business want someone to prepare a weekly letter of up-to-date information on Canadian business conditions as a whole and as they apply to their particular industry.

They are prepared to pay a liberal fee to the person who can supply them with the information in a broad, accurate, thorough way as to be a guide to them in their future production and selling plans and policies.

Address, giving details of capacity for such work and experience, in first instance

SECRETARY, Box 260,
THE FINANCIAL POST,
153 University Ave., Toronto

These Bonds having been sold, this advertisement is published for record only.

New Issue

$6,000,000

The Anticosti Corporation

Fifteen-year First Mortgage 6½% Sinking Fund Gold Bonds

Series A

To be dated August 15th, 1926 — To mature August 15th, 1941

Principal and half-yearly interest, February 15th and August 15th, payable at the holder's option in Canadian gold coin at The Royal Bank of Canada in Toronto, Montreal, Halifax, St. John, Winnipeg, Regina, Edmonton and Vancouver, or in United States gold coin at the Agency of The Royal Bank of Canada, New York, or in gold coin of the Kingdom of Great Britain at The Royal Bank of Canada, London, England, at the fixed rate of $4.86⅔ to the £1 Sterling. Coupon Bonds in denominations of $1,000 and $500 registerable as to principal only, or fully registered Bonds in denominations of $1,000 or authorized multiples thereof. Redeemable as a whole or in part at the option of the Corporation on any interest date on sixty days' notice at 105 and accrued interest if redeemed on or before August 15th, 1931, and thereafter at ½ of 1% less for each five-year period or fraction thereof. Montreal Trust Company—Trustee.

Annual cumulative sinking fund, for exclusive retirement of Bonds of Series A, of $120,000 commences December 31st, 1927, plus an additional sinking fund commencing December 31st, 1929. Sinking fund is estimated to redeem approximately 85% of these Bonds by maturity.

Legal Investment for Life Insurance Companies under the Insurance Act, 1917, Canada.

For detailed information, we refer to the prospectus containing letter from Mr. George M. McKee, President of the Corporation, which has been summarized in part as follows:

The Corporation

The Anticosti Corporation has been incorporated and has acquired complete ownership of the Island of Anticosti, except unimportant acreage ceded to the Government of the Dominion of Canada for lighthouse purposes. Anticosti is situated in the Gulf of St. Lawrence and embraces about 3,100 square miles, approximately one and one-half times the area of the Province of Prince Edward Island. The Island is conservatively estimated to contain 15,000,000 cords pulpwood, estimated to have a value of $15,000,000.

Through acquisition of the Island of Anticosti, the Corporation owns outright the largest and most valuable freehold reserve of pulpwood in Eastern Canada.

Capitalization

(Upon completion of present financing)

	Authorized	Outstanding
First Mortgage Bonds	$10,000,000	$6,000,000
7% Cumulative Preference Shares	$6,000,000	$3,000,000
Common Shares (of no par value)	60,000 Shares	60,000 Shares

All of the Common Shares of the Corporation are owned by St. Maurice Valley Corporation, Wayagamack Pulp & Paper Company, Limited, and Port Alfred Pulp & Paper Corporation, assuring to the Corporation experienced and capable management.

Security for Bonds

The Bonds will be a direct obligation of The Anticosti Corporation and will be secured by specific first mortgage and charge on all the real and immovable properties of the Corporation now owned and hereafter acquired, and by a floating charge upon all assets not covered by the specific charge.

Bonds will be additionally secured by assignment to the Trustee, under the specific charge of the Trust Deed, of an agreement entered into by the Corporation with St. Maurice Valley Corporation, Wayagamack Pulp & Paper Company, Limited, and Port Alfred Pulp & Paper Corporation. As part of the terms of this agreement St. Maurice Valley Corporation, Wayagamack Pulp & Paper Company, Limited, and Port Alfred Pulp & Paper Corporation jointly and severally covenant:

1. To purchase from The Anticosti Corporation a minimum total of 390,000 cords of pulpwood during each of the three years commencing November 30th, 1926, and 420,000 cords during each year commencing November 30th, 1929;
2. To pay to The Anticosti Corporation in each year: (a) a sum equal to the full amount of the Corporation's operating expenditures including depreciation; and (b) as long as any of this issue of Bonds of Series A are outstanding, a minimum stumpage fee of $2.40 for each cord of pulpwood purchased whether or not the minimum number of cords agreed to be taken is cut or delivered.

The above stumpage payment is equivalent to the current stumpage fee of approximately $1.40 per cord now payable to the Government of the Province of Quebec on pulpwood cut on leasehold timber areas, plus the usual depletion allowance of one dollar per cord.

Revenues

Under the provisions of the above agreement, during the first three years the minimum annual net revenue of The Anticosti Corporation from stumpage payments as above will be $936,000, and after November 30th, 1929, will be $1,008,000, against maximum annual interest requirements of $390,000 on the Bonds now to be issued. These net revenues are after operating expenses and depreciation.

Purchasing Companies

Combined net earnings, after operating expenses, of St. Maurice Valley Corporation, Wayagamack Pulp & Paper Company, Limited, and Port Alfred Pulp & Paper Corporation, for their last respective fiscal years, totalled $4,888,482. The operating expenses deducted before arriving at these combined net earnings include depletion at the rate of approximately one dollar per cord and the Quebec Government stumpage fee of approximately $1.40 per cord.

Combined assets of the above three Companies at the end of their last respective fiscal years, totalled $71,168,720.

We offer these Bonds for delivery if, as and when issued and received by us, and subject to the approval of our Counsel, at:

Price: 100 and Interest, Yielding 6.50%

Wood, Gundy & Company

Limited

Toronto
Winnipeg
London, Ont.

36 King Street West
Toronto
Telephone: Elgin 4321

Montreal
New York
London, Eng.

The information contained in this advertisement is based upon statements and statistics on which we have relied in the purchase of these Bonds. We do not guarantee, but believe the statements herein made to be true.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST day of SEPTEMBER next, to Shareholders of record of 31st July, 1926.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 20th July, 1926.

The Royal Bank of Canada

DIVIDEND No. 156

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Wednesday, the first day of September next, to shareholders of record at the close of business on the 31st day of July.

By order of the Board,

C. E. NEILL,
General Manager.

Montreal, Que., July 13, 1926.

THE

Canadian Bank of Commerce

Dividend No. 158

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1926, payable at the Bank and its Branches, on and after Wednesday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1926. The transfer books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 16th July, 1926.

Automotive Credit Corporation Limited

DIVIDEND NOTICE

Pursuant to a resolution passed by the Board of Directors of the Automotive Corporation, Limited, on Wednesday, the 21st day of July, 1926, which resolution was subsequently ratified by a General Meeting of the Shareholders of the Company, held on the same day, a dividend of 3 per cent. was declared payable on the Company's 6½ per cent. Twenty-Year Sinking Funds Gold Bonds. The Secretary-Treasurer was thereupon authorized to honor and pay at the rate of 3 per cent. the several bonus coupons attached to the bonds, which are due and payable on and after the 15th day of July, 1926, such payment to be made upon presentation of coupons at the offices of the Company in Toronto and Montreal.

F. J. BASHFORTH,
Secretary-Treasurer.

Business Opportunity

First class opening for young, aggressive mechanical engineer or business executive with considerable capital, in general engineering and machinery business in British Columbia. Advertiser has operated business successfully for twenty years and holds control. He has reached an age when he wishes to withdraw from active participation and desires to dispose of his controlling interest for this reason. The interest is offered at a bargain for cash. The Plant is advantageously located, the business is long established, competition is not keen and climatic conditions are pleasant.

Address Box No. 254, Financial Post,
153 University Ave.,
Toronto, Ont.

$19,986.32

Town of Hawkesbury 6% Debentures

Bids will be received until Monday, the 9th day of August, 1926, for instalment debentures 1926-1945 issued by the Town of Hawkesbury, according to the Town of Hawkesbury Debenture Act, 1923, to the amount of $19,986.32, bearing interest at 6%, payable annually.

Highest or any bid not necessarily accepted.

J. O. BERTRAND,
Clerk-Treasurer.

Montreal Light, Heat & Power Consolidated

Notice to Shareholders and Share-Warrant Holders

PUBLIC NOTICE IS HEREBY GIVEN to the Shareholders and Share-Warrant Holders of MONTREAL LIGHT, HEAT & POWER, CONSOLIDATED that at a Special General Meeting of Shareholders held on *July 26th*, 1926, By-Laws Nos. 20 and 21 were ratified and approved. The change in the share capital of the Company, provided by these by-laws, is effective as and from August 2nd, 1926, and has for effect the conversion of each $100 par value share of the Company's capital stock presently issued and outstanding into—

One 6% Cumulative Redeemable Preferred share of the par value of $50, and
Three Common shares without nominal or par value.

Interim Certificates for the 6% Cumulative Redeemable Preferred stock of the par value of $50 and the No-Par-Value Common stock will be ready for delivery on and after August 16th, 1926, upon surrender of present $100 par value stock certificates and share-warrants with Serial Coupon No. 41 and subsequent coupons attached to the Montreal Trust Company, 11 Place d'Armes, Montreal.

Definitive Certificates will be ready for delivery at a later date, due notice of which will be published.

By Order of the Board,

C. S. BAGG,
Secretary-Treasurer.

MONTREAL, August 2nd, 1926.

RAILWAY EARNINGS

Canadian Pacific

	1926	1925	Change
Week end. July 31	$5,323,000	$4,751,000	+$572,0